The China Weekly REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

The American School and Chinese Studies

Yen Hsi-shan Forced to Accept Cooperation of Kuomintang "Outs" at Peiping

International Economic Policy in India

By Dr. Phil. Taraknath Das

Hulutao—a Challenge to China!

By Edward Hunter

The Matter of Taxing Chinese Who Wear Foreign Clothes

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Banking and Financial Speculation at Shanghai; China Now Moves To Stop Dog-Race-Gambling; Real Story of the Indian Revolution; The Strangling of North Manchurian Trade; Manchouli, Once Prosperous, Now a Dead Town, by E. U. Barung; Hongkong Business Slump Worst in Thirty Years; A Chinese Reader at Large in Yankeeland, by Art Yun; More Sino-British Notes on Extrality; The Dollar Line's New Boats; New Chinese Port to Rival Hongkong; Conditions in Central China, by C. T. Liang.

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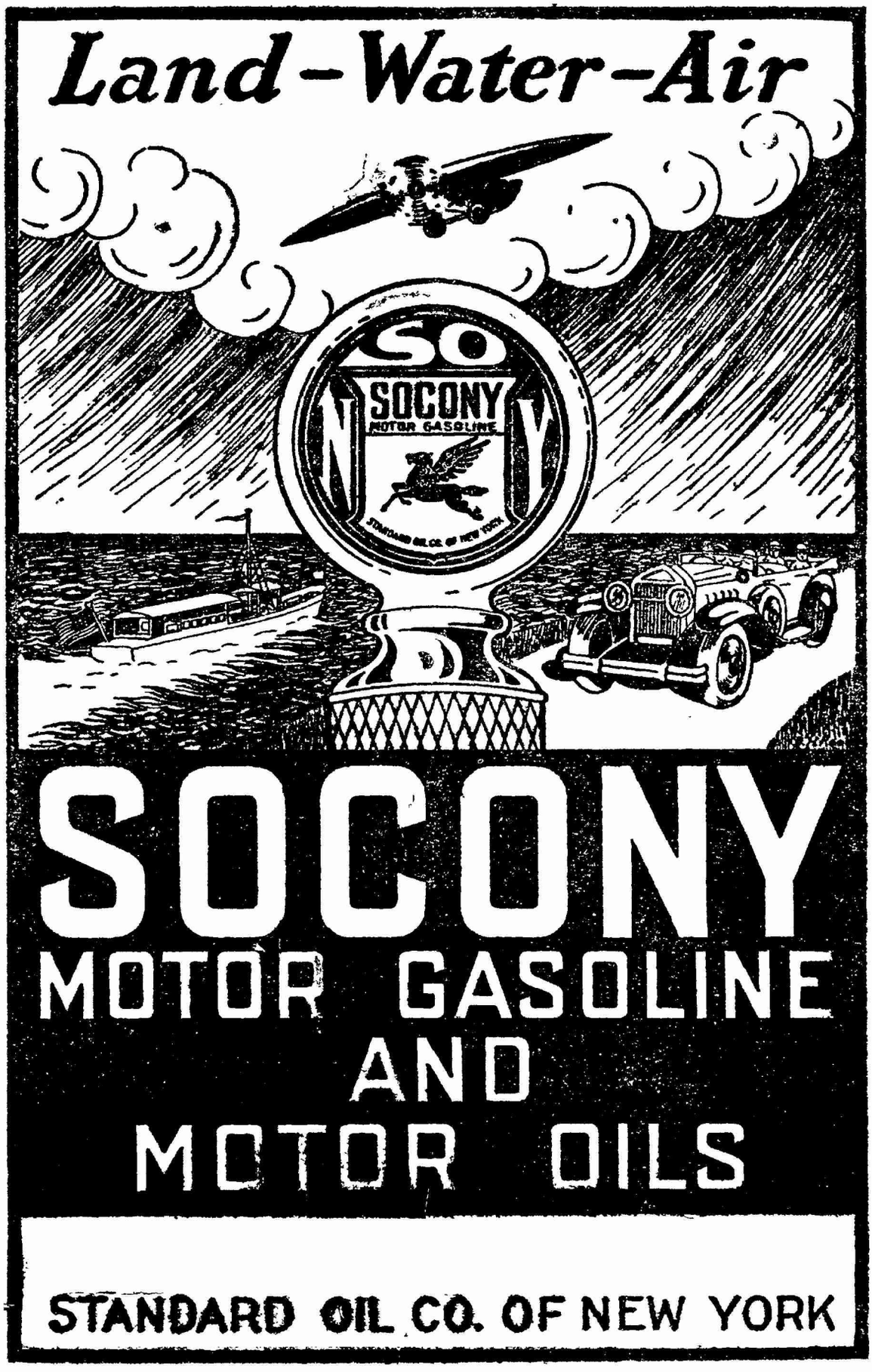
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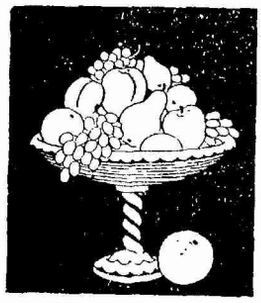

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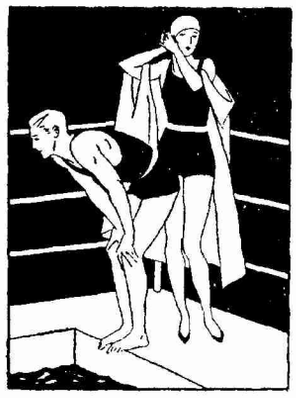

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The China Weekly REVIEW

Formerly Millard's Review

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J. B. POWELL, Editor and Publisher
H. L. FELTON, Business Manager
JOHN L. SCHENG, Advertising Manager

CONTRIBUTING EDITORS

GEO. W. MISSEMER C. Y. W. MENG
CHAS. A. DAILEY (Peiping). SAMUEL H. CHENG (S'hai).
EVA CHANG (Nanking) P. T. CHEN, B. Y. LEE
STEPHEN WANG (Tientsin) C. T. LIANG

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NOTICE

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WASHINGTON BUREAU
J. J. Underwood—Correspondent
Colorado Building, Washington, D. C.

THE AMERICAN SCHOOL AND CHINESE STUDIES

THE Shanghai American School needs G.$2,750,000 for new buildings and an adequate teaching staff, according to literature which has been mailed out to friends of the school in the United States. However, only G.$1,000,000 is to be raised in the present campaign, which is scheduled to start shortly and will be extended to all parts of the United States. The Shanghai American School was started in 1912 in rented quarters in the Hongkew section of Shanghai, but now occupies its own quarters in the Shanghai French Concession where a majority of the 3,500 to 4,000 American residents live. The school, however, has a broader appeal than to the Americans who reside in Shanghai for Americans in all parts of China send their children here for grade and high-school training. The enrollment has grown from 38 when the school was started to about 600 at the present time, the premises being greatly over-crowded due to insufficient buildings. Americans residing in the home-land, accustomed to free public education for all children, probably will wonder why it is necessary for the American community in Shanghai to maintain its own school. The reason is that the schools operated by the foreign concessions at Shanghai, being controlled by British and French interests, are not adapted to the education of American children; hence it was necessary for the Americans to develop their own school where American history could be taught and American educational ideals inculcated. The American School receives no money whatever from the local foreign concessions, hence must look to the American community solely for support, despite the fact that American residents of Shanghai pay taxes for the upkeep of the local foreign concessions, which of course, includes education.

Rather then have their children educated in schools of non-American character, the American community in Shanghai about a dozen years ago set to work with characteristic energy and developed their own educational institution consisting of primary, grade and high school departments. Although cramped for funds and heavily in debt, the Shanghai American School has developed and maintained high standards, enabling its graduates to enter most of the colleges and universities of the United States without entrance examinations. Attendance at the American school makes it possible for the children of Americans residing in China to be

loyal Americans and to obtain an understanding of American institutions and ideals.

The weak spot in the curriculum has been the failure of the management of the institution to provide adequate courses in Chinese, a failure due partially to the lack of adequate finance, but not entirely to that reason. Some courses have been given in Chinese history and occasionally there are lectures by outsiders on subjects pertaining to Chinese life and culture. But generally speaking the American school has been remiss in this matter of Chinese courses and there is hope that with the new funds derived from the present campaign in the United States, that a complete Chinese department will be established containing courses in the Chinese language, geography and economics, history and culture. To assure such being carried out, it would be well for some of the large donors to the endowment to earmark a portion of their contributions to this effect. Obviously, it is a curious situation that schools all over the United States are establishing courses in Chinese, while the American school in Shanghai, located on Chinese soil, does not have a Chinese department. If Americans are to develop closer commercial and cultural relations with New China, such courses in Chinese are necessary in the Shanghai American School. It shouldn't be necessary to even mention the subject, but it is mentioned because the lack of a Chinese department has long been a glaring defect in the school, a defect which it is hoped will be remedied when further funds are available as a result of the forthcoming drive!

THE REAL STORY OF THE INDIAN REVOLUTION

ON SATURDAY of last week *Reuters* service telegraphed a little six line news item from Simla, India, which was published in the foreign newspapers in Shanghai which told more about the effectiveness of the Indian revolution than all of the longer and more sensational reports dealing with violent phases of the Indian uprising. Owing to the importance of this news item, we reproduce it exactly as it appeared in the local foreign press:

IMPORTS DROP

(Reuter's service)

Simla, July 10.—The total imports of cotton-goods from England in April and May decreased by 23½ per cent as compared with the corresponding period last year, chiefly owing to the Nationalist boycott of British goods.

A 23½ percent drop in India's purchases of cotton-goods from Great Britain in April and May of this year, as compared with the corresponding period of last year, is a most serious matter for British industry, particularly at this time of world business depression. Obviously the unarmed Indians cannot stand up against Britain's well armed Indian army with its tanks and airplanes, or even the clubs in the hands of the British police, but if the Indians are able to hold out with their boycott of British materials they are bound to win their struggle for independence, dominion status, autonomy, or whatever name is given to the new status that is bound to result from the present struggle. The Indians will win for exactly the same reasons that the Chinese have won out in their struggle for independence—the reason being the dependence of British (as well as all western) industries upon Oriental markets. The industrial establishments of the West, developed upon a private capitalistic basis, can't live without orders from the Orient and the Orientals are perfectly well aware of that situation and are making the most of it to recover their lost rights!

CHINA NOW MOVES TO STOP DOG-RACE GAMBLING

THE National Government on July 8 announced that it will make another attempt to stop greyhound racing in Shanghai by issuing warrants for the arrest and prosecution of Chinese employes as well as habitues of the British and French-registered dog-racing and gambling institutions in Shanghai. The regulations adopted when the new Special District Court (replacing the Mixed and Provisional Court) was established, now gives the Chinese Government power to arrest and prosecute any Chinese resident of the foreign settlements who may be guilty of violating Chinese laws. Since the attendance at, or connection with, dog-racing and gambling institutions is plainly in violation of Chinese anti-gambling laws, the Government's announcement on July 8 stated that an investigation had been instituted and "summary measures are likely to be enforced when the results of the investigation are submitted to the Government organs concerned."

It is reported that the shares in local dog-racing and gambling institutions (two registered under British law and one under French law) took a further slump toward zero following the publication of the foregoing information in the local foreign and Chinese newspapers. And well they might because the promotion and operation of these institutions has long constituted a scandal of the exterritorial system which permits foreigners to operate institutions on the China coast which are illegal under both Chinese and foreign laws. When the greyhound-racing tracks were first promoted here three years ago the Chinese did everything possible to prevent them, but the foreign consular body composed of the official representatives of more than a dozen western governments, refused to do anything and the result has been that the foreign promoters of these enterprises have amassed large fortunes, chiefly from the Chinese, and according to popular report most of them have now sold out their holdings to Chinese who are holding the bag. The scandal was all the greater because in this period the Consular Body sanctioned the arrest and prosecution of Carlos Garcia, a Mexican citizen, who was allegedly operating a roulette-gambling institution under the supposition that he was protected by the same exterritorial system which guaranteed the dog-race-gamblers against Chinese prosecution. Garcia's institution catered to foreigners exclusively, hence the foreign authorities of the International Settlement had no complaint against him on the grounds of exploiting the Chinese; what the Settlement authorities apparently wanted to do was to make a show of virtue to save their faces on account of the attacks of the Chinese authorities over the greyhound-racing business. Garcia was found guilty in the local Chinese court and received a sentence of a year in jail, which he has now served and is again at liberty, while the dog-racing-gambling joints, frankly exploiters of the Chinese are still in operation. Thus is justice,

or more accurately "mis-justice" applied in this Far Eastern port: one foreigner, citizen of a weak country is prosecuted and sent to jail for operating a gambling institution which catered to foreigners, while other foreigners, citizens and subjects of more powerful countries, are permitted to operate another type of gambling institution in open violation of Chinese laws, amass large fortunes, and get away with it!

BANKING AND FINANCIAL SPECULATION

THE *China Critic*, in its issue of July 10 called attention to the need of some form of regulation of Chinese banks to prevent speculation with the money which depositors have placed in the banks for safe-keeping. The article was inspired by recent failures of important Chinese banks in Canton and Shanghai and an attempt on the part of the Native Bankers Association of Shanghai to bring about self-improvement. The whole trouble seems to be the lack of governmental regulation, the Chinese Government being handicapped for two reasons, the lack of adequate laws and inability to enforce such laws in respect to Chinese banks located in the foreign settlements or incorporated under foreign laws such as the regulations of the British Colony of Hongkong. Since the reputations of all Chinese banks are affected by this situation one would think that the Chinese banks would adopt self-protective regulations in order to protect their own reputations, but according to the article in the *China Critic*, the Native Bankers Association at its recent meeting shelved a resolution intended to require all banks that are members of the association to publish their annual business reports in the Chinese Bankers *Magazine*. The failure to pass this resolution cannot enhance the reputations of Chinese banks with the public whose deposits they solicit. In comment on this subject the article in the *China Critic* said,

> "Banks, as depositaries of the funds of the general public, hold a sacred trust which should be guarded with the utmost care. Unfortunately many Chinese banks do not appreciate this, but indulge in speculation and other unsound practices. Quite a number of modern style and native banks have come to grief on that account, especially the native banks. The passage of a number of resolutions at a recent meeting of the Native Bankers Association, including one prohibiting the managers and other employes of its member banks to speculate, is therefore most appropriate at the present moment, when speculation in gold and foreign exchange is most active as well as most dangerous, on account of the wide exchange speculation."

When the National Government established its Central Bank in Shanghai two years ago an excellent precedent was set when provision was made in the charter for an inspection of its reserve and note issues by an independent committee, but these regulations do not affect other Chinese banks which have little restriction upon their activities aside from the character of their own officials and self-imposed restrictions adopted by the bankers' associations.

The general result of this situation is to cause Chinese depositors to utilize the service of foreign banks rather then their own Chinese banks. As for the large foreign banks, the existence of exterritoriality places them beyond any regulations which the Chinese Government might attempt to enforce, but since foreign banks in China are subject to foreign laws, they have to make their activities in China accord with banking practice abroad where strict regulations do exist. This serves to give most foreign banks in China a much higher reputation for business practices than Chinese banks enjoy with their own people. And this in a country which in the past enjoyed the highest possible reputation for its banks and bankers. To emphasize this point it is only necessary to mention the fact that China has experienced the curious spectacle in recent years where branches located in the interior, of large Chinese banks, have issued notes far beyond their ability for redemption and then had the head office disavow the action of the branch and refuse to make good the loss to note holders.

Aside from the need for governmental regulation of Chinese banks, there also is the great need for regulation over the organization of financial companies, a comparatively new development in China, but which has already reached extensive proportion. These companies, some of them organized under foreign laws, engage in wide-spread stock-selling campaigns throughout the country catering to Chinese investors. Thus far there have been no scandals in connection with these enterprises, but the absence of any adequate governmental restrictions here, leaves the way open for exploiting the people that would not be permitted in any western country.

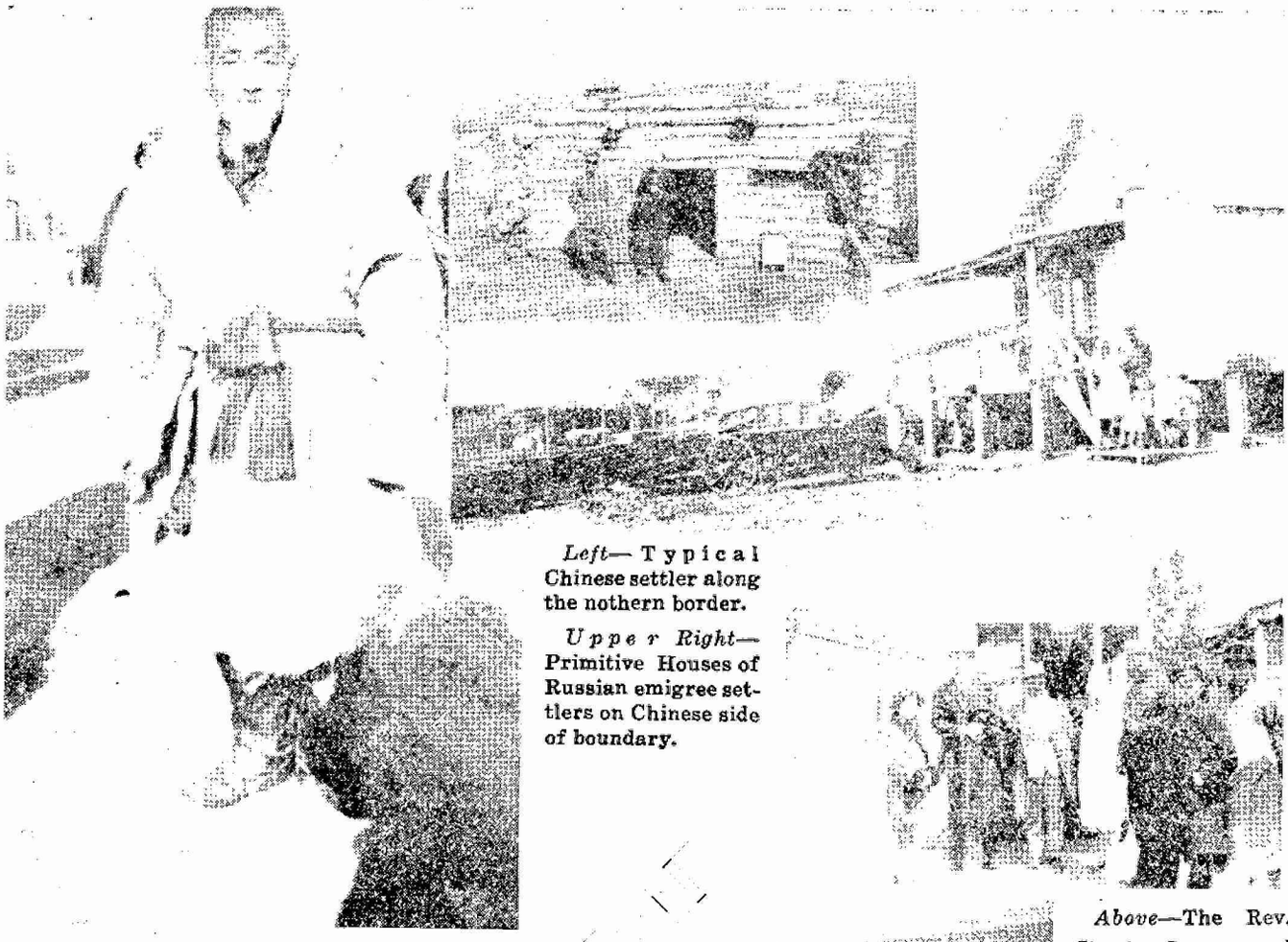
The Strangling of North Manchurian Trade

IN a previous issue of *The Review* (June 28) reference was made to plans of the Soviet Government for driving private American and European "capitalistic" firms out of North Manchuria by having the Soviet state "trusts" cut prices to a point where private firms could not remain in competition in that important section of Chinese territory. Of more immediate interest, however, from the standpoint of the Chinese, have been reports regarding deliberate acts of the Soviet Government in the stifling of important Chinese industries. One of these reports referred to the action of the Soviet Red army last year in deliberately destroying the machinery of the Chalainor coal mines, causing the flooding and destruction of the works, and the recent decision of the Soviet management of the Chinese Eastern Railway to reopen new coal mines on the Russian side of the boundary. It was stated that the Soviet management of the C. E. R. had appropriated a considerable sum of money from the revenues of the railway (derived from Chinese sources) for the purpose of subsidizing the new coal mines located on Russian territory in the vicinity of Chita, Siberia.

While the action of the Soviet Government regarding the Chalainor coal mines is of particular interest to China, there has been another report dealing with the extensive Chinese and Mongolian wool industry in the Barga district of Heilungkiang province that is of special interest to American industry. As is generally known the so-called Barga district of Heilungkiang province has constituted China's chief source of wool for export, the bulk of the wool going to the United States where it has been used in the rug

NORTH MANCHURIA SINCE THE RED RUSSIAN INVASION

(Pictures taken by the Rev. Charles Leonard, whose trip to the Three River District is referred to in the accompanying article)



Left— Typical Chinese settler along the nothern border.

Upper Right— Primitive Houses of Russian emigree settlers on Chinese side of boundary.

Above—The Rev. Charles Leonard (carrying overcoat) on trip to Three Rivers.

Above— Thousands of cattle died of disease and neglect resulting from Soviet invasion.

Above and on Left— Russian women and children whose husbands and fathers were massacred by the Reds.

Lower Left—Farm house bombed by Soviet invaders last year.

and carpet industry. According to a recent report from Harbin, the Soviet Red army, when in occupation of Hailar, the metropolis of the Barga district late last year, removed all of the machinery from the large wool washing and packing plant in that city which had been operated for many years by the Chinese Eastern Railway. This machinery was taken to Soviet Russia when the Red troops evacuated the Barga district. Now, according to the report, the machinery is to be used by the so-called "Red Wool Trading Society," a Soviet state concern, in the development of a wool industry on the Russian side of the line. If this report is correct it will mean that American firms desiring to purchase Chinese wool will be forced to have the wool shipped from Hailar to Tientsin for conditioning prior to export, a prohibitive enterprise due to the excessive freight rate. The object of the Soviet Government is plain: to destroy the Chinese wool industry and force American and European concerns to purchase Chinese and Mongolian wool from the Soviet state monopolies which will control the business. Chinese interests and Americans interested in this trade in North Manchuria have made representations to certain home American interests to develop a new privately operated wool conditioning plant in Hailar, but in view of the uncertainty of conditions in that area it is unlikely that anyone will be interested in investing any money in that territory. The result probably will be that another important Chinese industry has been destroyed for the benefit of the Red Russians.

In addition to these reports pertaining to business developments in the so-called Soviet "sphere" in North Manchuria, reports continue to arrive in Harbin of Soviet military demonstrations along the Sino-Russian frontier, the result of which has been to keep the country in an unsettled condition making trade resumption impossible. According to a report from Harbin early in the present month, persons arriving in that city from the northern section of Heilungkiang province, stated that on June 27, 28, 29 and 30 the sound of artillery fire was heard in the direction of Nerchinsky Zavod on the Russian side of the line, opposite the northern section of the Three Rivers District on the Argun river. Whether the cannonading was due to a fight between Red troops and rebellious peasants along the Siberian border was not known, but the result was to cause serious anxiety in Hailar where the Chinese troops immediately repaired the trenches about the town and made preparations for a defense of the place in the event Soviet troops should attempt another invasion.

The Rev. Charles A. Leonard, an American missionary in Harbin who headed the American Red Cross relief to Russian refugees in North Manchuria last year, recently returned to Harbin from a trip to the Three River District for the purpose of investigating conditions in that area. Rev. Leonard's report, which has been mailed to the American Red Cross officials in Washington gives a detailed analysis of conditions among the Russian settlers on the Chinese side of the Sino-Russian border. The report is too long for reproduction in these columns, but in brief it constitutes an appeal for international assistance to help the Russian settlers to find new homes. He stated that the Russian emigree settlers who had ventured back into the area after being driven out by the Red raiders last year, are now being subjected to persecution by undisciplined Chinese soldiers as well as bands of Russian outlaws which infest the territory. Through Rev. Leonard's mediation one Russian outlaw named Perskoff had agreed to surrender to the Chinese authorities on certain conditions which the Chinese had accepted. Also, due largely to Rev. Leonard's representations to Gen. Wan Fu-lin, governor of Heilungkiang province, better disciplined Chinese soldiers have been sent into the district. In reference to the conditions among the Russian refugee settlers, Rev. Leonard's report stated, "They are hated by the Soviet and have been persecuted by undisciplined Chinese soldiery, and had it not been for the American relief committee of Harbin, few of them would have survived, following the massacres perpetrated by the Red troops sent into the district by Gen. Blucher, commander of the Far Eastern Red Army, during the Sino-Russian conflict of last year.

Of interest in connection with general business conditions in the North Manchurian area, are the following reports from *The Review* correspondent at Hailar:

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Manchuli Once Prosperous Now a Dead Town

BY E. U. BARUNG

Situated on the Sino-Russian border and at the junction of the Chinese Eastern and the Trans-Siberian railways the town of Manchuli was considered prior to the Sino-Russian conflict last year as one of the prominent commercial centres of North Manchuria. A number of cart roads originating at distant places in Mongolia converge in the town, and its warehouses were always packed with raw material to be forwarded to markets abroad. Its shops and stores handled all sorts of manufactured goods sending them to places in the interior to be consumed by the nomadic tribesmen there. The country around the town, owing to a low fertility of the soil and climatical conditions,—not being congenial to argicultural pursuits, the population of the town including Russians, Chinese, Jews, and Tartars were engaged exclusively in trade. The white Russian immigrants who settled on the outskirts of the town were engaged in hunting and raising stock.

Bombardment by Soviet

During the Sino-Russian controversy over the C.E.R. last year Manchuli was subjected repeatedly to bombardment by the Soviet troops till at last, after the furious attacks by the Soviets and the heroic defence by the Chinese headed by the late General Liang, it was taken by the Russians, and remained under their occupation for a month's time. At the outbreak of the conflict the very first cannon reports scared the inhabitants out of their homes in the town. Most of them fled to Harbin. After the conflict had been settled the inhabitants returned to the town, most of them not to live in but to liquidate their business, to dispose of their property and to quit the place for good. Many residents that for some reason or other happened to stay in the town during its occupation by the Soviets were deported by them to the U. S. S. R.

Half of Town Closed

The town presents now a sad sight. More than half of the shops and stores remain closed. The hotels are empty. A large number of houses are vacant, and their doors and windows planked. The streets are desolate. Anterior to the conflict two passenger motorcars left daily the town for the Ulan Bator Hoto (Urga), Sambesse and other centres in Inner or Outer Mongolia. At the present time there is no such traffic between Manchuli and these places, except one car a month that takes not merchants but Soviet or Mongolian officials to the Ulan Bator Hoto

or other administrative centres in Halha. Hunting does not exist any longer. There was an extensive trade for furs, skins, hides and other articles which were smuggled over the border from the neighboring places in the U. S. S. R. Now the smuggling has become impossible due to a greater number of the Soviet outposts patrolling the frontier. The Chalainor coal mines being closed by the order of the C. E. R. Administration, the workmen who were consumers for goods on the market at Manchuli left the place. The shopkeepers that have opened their shops have but a few customers. There is very little cargo to be transported to or from the town. The Manchuli branch of the Commercial Agency of the C. E. R., which also does forwarding business, has almost nothing to do there. It may happen that the remaining residents of the town, except the Chinese and Russian officials and the railway employees, of course, if the situation now prevailing there continues, will remove from the town to other places and Manchuli—temporary, perhaps—will entirely lose its significance as a commercial center of North Manchuria.

Wool Business in Hailar also Dead

There is almost complete stagnation of trade in Hailar. This is the time for the wool season and ordinarily the town at this time of the year is very active. In former seasons, trains of horse-drawn carts and motorcars laden with manufactured goods to be consumed by the Mongols would be seen leaving the town for different places in the interior of Barga and long trains of ox-drawn Mongolian carts and caravans of camels laden with wool used to arrive in the town almost every day during the summer months, while hundreds of people of both sexes would be employed at the wool washing plants of the town, washing, sorting and presspacking the wool. But there is no such traffic and nearly no buying of wool is going on this season.

Reasons for the Stagnation

This stagnation is apparently due to overproduction and the general economic depression in America. There is no demand for the local wool on the part of American wool-dealers; hence the low prices for wool in Barga. The business men here say that in order to make a moderately profitable export of Mongolian wool to America the wool must be bought at about four and a half local dollars per pood, which if reduced to U. S. currency, as per today's rate of exchange, is less than one Gold Dollar. But none of the Mongols is willing to sell the wool at so low a price. For a series of the past years they got from 10 to 14 dollars, local currency, per pood.

Banditry

Another serious hindrance to the business is the fact that the whole country around Hailar is infested with bandits, who recently perpetrated a number of outrageous murders and intimidated the people of Hailar to such an extent that they do not venture to go out of the town, even to places in close proximity to it, where they were in the habit of going for picnics, or fishing and hunting during holidays. For the same reason no people go to the Barga Halun Arshan Health Resort (hot springs), which was visited by thousands every summer (except last summer because of the conflict).

Situation Unsettled

It is rumored that the Soviet troops in the border region, along the bank of the Argun river, have displayed unusual maneuvering activity along the bank, where some fresh troops have come to increase in number the Russian outposts on the border. Rumors are also afoot that several Chinese outposts on the border became a few days ago subject to attacks on the part of well armed and well organized bands with the result that a number of Chinese soldiers were killed, some of the outposts being practically annihilated. Such a situation offers very questionable prospects for normal conditions in Barga, which of course affects adversely the economic life of the country.

The Soviets Devise Means to Control the Market

The Soviet Wool Trust, which used to buy and export to the U.S.S.R. about 65% of the whole bulk of wool in Barga and which was closed during the conflict last year has not reopened and is not likely to reopen this season. The Dalbank (the Far Eastern Bank), which has just reopened in Hailar, seems to have entered in a sort of agreement with the Pee-Mo Gunsi, a Mongolian concern, for buying wool in Barga. But as yet no serious buying has been started by this concern. A number of Hailar merchants, who are alleged to have Japanese capital behind them, are prepared to buy wool. These also have displayed almost no activity, for the time being.

The Soviets seem to be realizing a certain aforethought plan in regard to the wool trade in Barga. While occupying Hailar last fall the Soviets took away the hydraulic press that had been installed at the wool washing plant of the C. E. R., in Hailar, thus creating serious difficulties to the wool exporters, for, as there is now no powerful press in the town, the wool after being presspacked with primitive hand presses here has—when on its way to America or Europe—to be repacked at Tientsin for further transportation by sea, which adds very much to the expenses. Considering the lack of demand from the American and European markets, thus bringing about a sharp decline in prices, the Soviets closed their Hailar branch of the Soviet Wool Trust;—for they, perhaps, thought that its presence and operations in the town would keep the prices to a certain more or less high level, and that its closing would much contribute to the drop in prices. In order to be able to secure the necessary amount of wool they authorized the Dalbank to buy the amount in case a serious buyer would appear on the Hailar market. At the present time, no such buyer appearing, the Dalbank, confining itself to closely watching the conditions, does not start buying. The Soviets at the same time may have given orders to their Trading Organizations in Halha to buy Barga wool through their branches operating near the Halha-Barga border. If the prices for wool continue low, as the season rolls by, on the Hailar market it may happen that the Barguts will take their wool to the Barga Halha border to dispose of it to the Soviet Organizations there, which may attract the Barguts there by reasonable raising of price as against the prices prevailing at Hailar. Provided this plan proves a success, the Soviets will be sole buyers of wool and will manage to control the prices. But in case a serious buyer appears at the Hailar wool market and by raising the prices will insure the Mongols to bring their wool to Hailar, the Dalbank, or rather Pee-Mo Gunsi financed by the Dalbank, will be in a position to buy any wool for the Soviets.

Hailar, June 30, 1930.

Yen Hsi-shan Forced to Accept Cooperation of Kuomintang "Outs" in Formation of Provisional Government

DESPITE all of the propaganda which Gen. Yen Hsi-shan, leader of the Northern Military Coalition, has spread against the Kuomintang Party since the outbreak of the present political crisis, he has finally been forced to accept the cooperation of estranged elements in that Party in the formation of a provisional or opposition government in Peiping. This development, probably the most significant happening in Chinese politics since the outbreak of the present civil-war was reported in dispatches from Peiping on July 12, stating that a conference had been held by representatives of various factions in the North resulting in the formation of an "enlarged" Central Committee of the Kuomintang. The official declaration of the meeting, according to a Japanese *Rengo* report, contained the signatures of the following representatives of Kuomintang "outs" and Northern militarists:

Left Wing Faction—Wang Ching-wei, Ku Mun-yu, Chen Kung-po, Madame Sun Yat-sen, Ho Hsiang-ning, "and twenty-one others."

Right Wing Faction—Hsu Tsung-chi, Hsieh Tzu, Li Lieh-chun, Hu Ju-lin, "and eleven others."

Northern Militarists—Yen Hsi-shan, Feng Yu-hsiang, Chao Tai-wen, Lu Chung-lin "and seven others."

The *Shun Pao*, a leading Chinese newspaper at Shanghai on July 14 published a more complete

account of the Peiping conference, the significant element in the report being the limited number of delegates who actually attended the meeting. Those present were, Chao Pai-lin, Chen Kung-po, Hsieh Shih, Chow Lu, Wang Fah-ching, Tan Chen, Fu Shu-ling, Pei Yun-ti, Chang Chi-pang, Quo Tai-chi, Pan Yun-chao, Chi Kung-chuen, Mah Huen-chang, Liu Huan and Huang Shao-kuo.

Mr. Yui Fei-peng, Quartermaster-General to the National Forces on the Honan Front. Mr. Yui has sole charge of the purchase and transportation of food and munitions and is the busiest man in the Army. He has occupied this position since the National Armies started from Canton in 1927.

Most of the names signed to the manifesto denouncing the National Government and the declaration of the formation of the so-called "Extended Party Conference," were not signed personally, but were affixed to the document by representatives. The signatures of the major leaders among the Kuomintang "outs" were signed by the following representatives:

Wang Ching-wei, by Quo Tai-chi.
Yen Hsi-shan, by Chao Pai-ling.
Feng Yu-hsiang, by Huang Shao-kuo.
Chao Tai-wen, by Chi Kung-chuen.
Chen Shu-jen, by Liu Huan.
Peh Wen-hui, by Pei Yun-ti.
Chen Kai-yi, by Liu Huan.
Li Tsung-jen, by Mah Huan-chang.
Hsu Tsung-chi, by Hsieh Shih.
Huang Shao-yung, by Mah Huan-chang.
Lu Chung-lin, by Huang Shao-kuo.
Hsueh Tu-pei, by Chao Pai-lin.
Shang Chen, by Chi Kung-chuen.
Mao Tsu-chuen, by Hsieh Shih.
Chu Chi-tsin, by Pan Yun-chao.
Mrs. Wang Ching-wei, by Quo Tai-chi.
Hsiung Keh-wu, by Tan Chen.
Muo Meng-yu, by Chen Kung-po.
Ten Tser-shu, by Pei Yun-ti.
Kuo Chen-tao, by Pei Yun-ti.

In addition to the signing of the names of the absentees by proxy, those present also affixed their own signatures to the documents. The report in the *Shun Pao* stated that in addition to the actual delegates and proxy-holders in attendance there were 65 newspapermen present, 52 being Chinese, 7 Japanese, 2 Americans, 2 French, 1 British. The representatives of the so-called Shanghai and Canton "party congresses" also issued separate manifestoes.

The manifesto denouncing Gen. Chiang Kai-shek and the National Government, which was issued by the meeting was similar to the text which was published in the Peiping newspapers on May 30 and June 1 and summarized in *The Review* on June 14. It placed all the troubles which the country has experienced in the past three years upon the shoulders of Gen. Chiang Kai-shek and his associates in the National Government, and recommended the calling of "national citizens conference" for the settling of outstanding national problems. The report regarding the meeting which appeared in the *Shun Pao* stated that hundreds of adherents of the Northern Military Coalition as well as estranged factions in the Kuomintang were flocking to Peiping and demanding to be placed on

The only Russian in the Chinese Army. This man, who joined the Chinese forces in Manchuria several years ago, has managed to maintain his position and is now an officer in the artillery corps. He speaks Chinese, is a Chinese citizen, and violently resents being asked whether he is a "red." He emigrated to Manchuria more than ten years ago.

the new provisional government as soon as such has been organized. Chen Kung-po, Left Wing leader, who had taken an active part in the proceedings was the center of the drive for jobs, the report stating that Mr. Chen "was embarrassed by the insistent demands for payment of living expenses figured at the rate of $60 each monthly." The so-called "Delegation Corps" representing the various military factions in the North, which has maintained its headquarters in Gen. Yen Hsi-shan's headquarters at Taiyuanfu (capital of Shansi), urged that telegrams be dispatched to all of the absent Kuomintang "outs" whose names had been signed to the manifesto, asking them to proceed to Peiping immediately for the formation of a "government." It was also urged that those unable to attend be requested to appoint representatives so that a quorum could be obtained for a meeting.

The chief element which has been responsible for the holding of the Kuomintang "rump" conference in Peiping has been the failing fortunes of the Northern Military Coalition and their Kwangsi and "Ironside" allies in the South from a military standpoint. This was indicated in the fact that immediately following the conference telegrams were dispatched to all "rebel" commanders

Mr. Shao Li-tze, prominent member of the C. E. C. who serves as Gen. Chiang Kai-shek's secretary on the Honan front. Mr. Shao is a newspaperman and is a director of one of the large Chinese papers in Shanghai.

at the front telling them of the meeting and attempting in this manner to bolster up the morale of the Coalition forces, the morale of the Northerners having suffered seriously as a result of the defeat of the Kwangsi rebels and Ironsides by the Government troops in Hunan and Kiangsi.

The fact that various estranged elements in the Kuomintang Party, after more than three months of squabbling in Peiping have finally been able to get together in a preliminary conference, does not mean of course that a provisional or opposition government will be immediately organized in the North. It does, however, mean that a preliminary step has been taken in that direction. But before the definite step can be taken, certain important things will have to eventuate, the first and most important being financial, it being estimated that Gen. Yen Hsi-shan will have to find the sum of $5,000,000 monthly necessary for the

Gen. Chang Chi. Chief-of-Staff to the National Forces on the Honan front, expalining the situation to a foreign correspondent.

financing of such a government. The next important development, obviously, will have to be a military victory over the Central Government forces by the Northern armies, an apparent impossibility according to present prospects. From an immediate standpoint, however, there is considerable significance in the fact that certain elements in the Kuomintang, who are opposed to the Central Executive Committee of the Party which controls the National Government in Nanking, have finally been able to make a place for themselves in the camp of the Northern militarists who have been opposed to the Kuomintang Party or any government organized and controlled by that Party. For many months prior to the outbreak of hostilities Gen. Yen Hsi-shan's publicity bureau headed by the Englishman, Putnam Weale, has been conducting a wide-spread propaganda campaign against the Kuomintang Party. Putnam Weale's articles attacking the Kuomintang have been published in newspapers all over the world, but particularly in newspapers which circulate among the overseas Chinese in the Philippines, Straits Settlements, and elsewhere, Gen. Yen Hsi-shan's motives being to discourage the overseas Chinese from extending further financial support to the Party. Now, however, in spite of Gen. Yen's far-flung anti-Kuomintang propaganda, he apparently has been forced to accept the coopera-

tion of certain elements in that party and of more significance, of the radical Left Wing, which has been most violent in its denunciation of military domination of the nation's politics.

Leaders of the Central Executive Committee of the Kuomintang at Nanking have not, as yet, issued any statement regarding the recent development at Peiping, but generally they have minimized the importance of the meeting, calling attention to the fact that few of the major leaders in the oppposition factions were actually present, and declaring their conviction that the Peiping meeting amounted to nothing more than a "face-saving" gesture on the part of the Northern Military Coalition as a means of bolstering up the waning morale of the rebel troops which are being gradually pushed back by the Government forces under Gen. Chiang Kai-shek. This element was emphasized in a dispatch from Peiping on July 14 by the Japanese *Rengo* service which stated that the first meeting of the "enlarged session" had instructed Ten Chen to proceed to the front immediately for the purpose of "encouraging the fighting spirit" of the Shansi troops and that a joint telegram be dispatched at once to all generals on the front urging them to put up a stronger defense against the Central Government troops.

A first aid clinic at one of the railway stations back of the National lines in Honan. Soldiers receive expert first-aid treatment at these stations, following which they are sent to base hospitals in the rear.

Other dispatches by *Rengo* dealing with the recent political development in Peiping have disclosed some of the major political complications existing in the Northern military camp. A message on July 13 stated that while the friction which had existed between Yen and Feng had apparently been patched up, that it was generally felt in the North that Gen. Yen Hsi-shan "would be placed in an embarassing position" due to the active participation of the radical Kuomintang Left Wing in Northern politics. The opinion was expressed that the Kuomintang politicians in the North, should they be able to form a "government" would be able to "make a cat's paw" of the Northern Military Coalition from the standpoint of the ascendency of the military over the political elements in that section. In reference to the Northern financial situation, the Rengo message stated that despite Yen's action in sanctioning the Peiping Kuomintang meeting and the dispatch of further telegrams to Wang Ching-wei (Left Wing leader now in Hongkong) urging him to come to Peiping, that it was still extremely doubtful whether Yen would sanction the organization of a "coalition government" in Peiping due to the serious financial drain on his resources which would be entailed by such a move. One of the representatives of the Shansi faction was quoted as saying, "In spite of the control of the Tientsin customs and the utilization of all financial resources available by the Shansi faction, the revenues are barely sufficient to meet war expenditures. It is estimated that some $5,000,000 monthly will be required in the event of the establishment of such a government, the raising of this large sum constituting the chief problem of the Shansi military group." It was stated further that considerable apprehension existed in Yen's camp that the "Coalitionist" Kuomintang politicians "would shortly attempt to undermine the influence of the Shansi faction in North China, particularly from the standpoint of control of finances as one of the first acts of the Conference had been to create an "accounting department" independent of Yen's control.

A further reference to the serious financial situation confronting the Northern Military Coalition, which undoubtedly has been aggravated by the attempt of the Coalitionist politicians to form a provisional government, was contained in a dispatch from Peiping which appeared in the *Sin Wan Pao* on July 15, the dispatch stating that the financial situation "was causing the Shansi warlord many sleepless nights." In order to find a solution for the problem, Gen. Yen had called another financial conference in Taiyuanfu which had been attended by representatives of various factions, including generals Feng Yu-hsiang, Lu Chung-lin, Sun Tien-ying and others. At this conference strong protests had been presented by delegations of Chinese merchants from Tientsin and elsewhere against the exorbitant taxes and in particular against Gen. Yen's attempt to form a "cigarette monopoly" as a means of raising extra revenues.

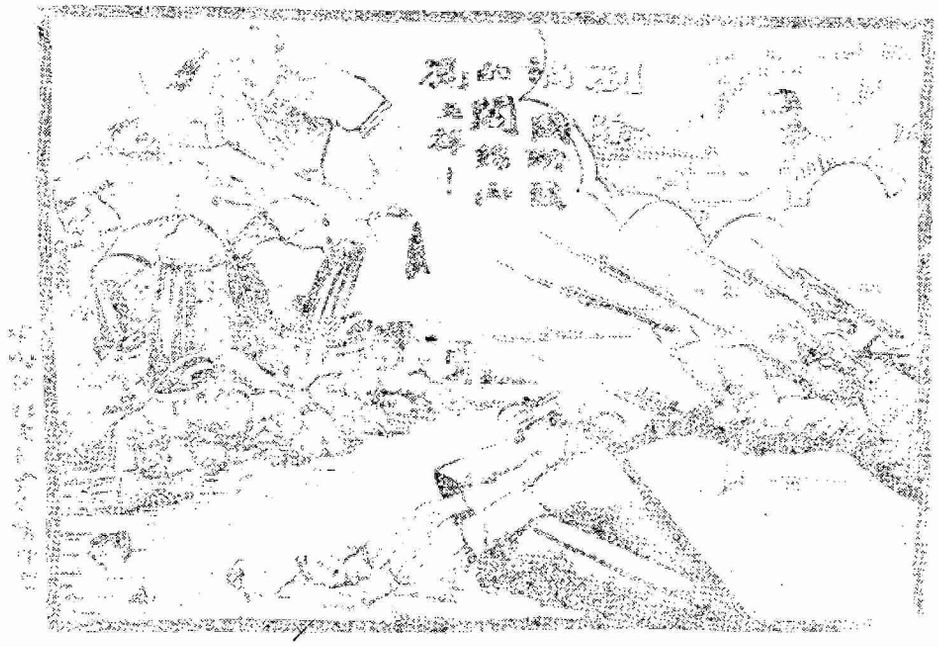
Two machine-guns and a trench mortar captured by the Government forces from the Kuominchun troops in the Honan campaign.

Nanking's impressions regarding the "Enlarged Party Conference" in the North, were indicated in a statement by Yu Ching-tang, a member of the C. E. C. at the weekly service at the Central Party Headquarters. According to a *Kuo Min* dispatch the National Government regarded the Peiping meeting "as merely an attempt on the part of the Northern rebels to divert attention

from their adverse military position by a display of political and party activity, which would lead nowhere and was bound to end in total failure." He stated that the early liquidation of the military situation "would enable the Party to direct its attention to the promotion of reconstruction and Party affairs generally," and in order to obtain greater efficiency, certain moves already had been made to divide each Party Headquarters into organization, training and publicity departments.

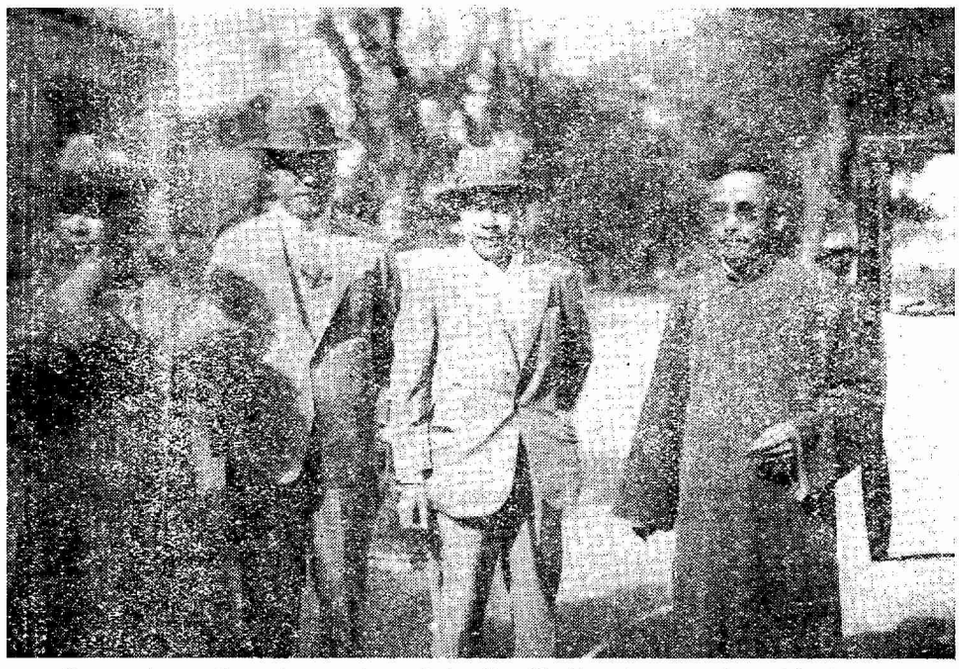
SOME INSIDE POLITICS

Recently there have been published in the foreign newspapers in Shanghai some interesting disclosures which have an indirect bearing on the present politico-military situation in the North as well as the Kuomintang Party. Hu Han-ming, chairman of the Legislative Yuan of the National Government and influential member of the Kuomintang, on July 10, issued an interesting statement giving some of the inside reasons for the break in the relations of certain military leaders with the the National Government. Mr. Hu stated that following the occupation of Peiping by the Nationalist forces and the unification of the country under Kuomintang rule, a national conference was convened by the National Government at Nanking for the purpose of discussing the question of troop disbandment. Among those who attended the conference were Gen. Yen Hsi-shan, commander of the Third Group Army and acknowledged leader in the North; Gen. Feng Yu-hsiang, commander of the Second Group Army and controller of Honan, Shensi and Kansu; and Gen. Li Tsung-jen, commander of the Fourth Group Army and controller of Hankow and South China. This conference, according to Mr. Hu broke up without an agreement being reached and shortly afterward resulted in a fresh outbreak of civil warfare. According to Mr. Hu's statement, which was circulated to the press from Nanking by *Reuters Service*, Marshal Feng was responsible for the first trouble by declaring that unless the Government was prepared to grant proper "compensation" to the generals that a renewal of the civil war was inevitable. Feng then made three demands, (1) that he be appointed vice-chairman of the Government; (2) that the commander of the garrison forces in Nanking should be appointed by Feng; (3) that Generals Lu Chung-lin, a subordinate of Feng's and Bei Tsung-chi, a Kwangsi commander, be appointed ministers in the Government. Immediately following Feng's demands, Gen. Li Tsung-jen, commander of the Kwangsi troops demanded (1) that the expenses of the Kwangtung and Kwangsi troops must be paid by the National Government; (2) that the Fourth Group army, commanded by Li be kept intact.



Poster used by the Government troops in the Honan campaign. It shows Yen Hsi-shan and Feng Yu-hsiang trampling the northern and northwestern peoples under foot while the Government troops are performing the act of rescue.

In order to avoid a split, Gen. Chiang Kai-shek accepted the demands of the Kwangsi commander, Li Tsung-jen, but before anything could be done to consider the demands of Feng Yu-hsiang, the "Christian General" left Nanking and rejoined his troops. Hu Han-ming stated that Gen. Ho Yin-chin, Wu Tze-hui and other officials of the Government did everything possible to induce the powerful military commanders to surrender their power to the Government in order that unification might be achieved and peace brought to the country, but that none of them would listen to the entreaties of the political leaders. Gen. Ho Ying-chin pointed out that the disbandment conference had been called for the purpose of disbanding surplus troops and not for the purpose of apportioning "awards" in the form of division of territory. Hu Han-ming also pointed out that Gen. Ho Ying-chin, who had rendered good service in the revolution, had surrendered his command of the First Group army to the Government and that the services of other commanders would also be taken into account. Wu Tze-hui, veteran member of the Party had delivered an impassioned address urging the military commanders to place patriotic service above selfish demands, but without avail.



Some of the Kuomintang "outs" in the North who participated in the recent "Extended Party Conference." Those in the picture are (left to right) Hsieh Shih, Fu Yu-lin, Chen Kung-po and Tan Chen.

Some Left Wing Allegation

Tang Liang-hu, a member of the Left Wing, apparent-

ly an associate of Wang Ching-wei, Left Wing leader at Hongkong, contributed a letter to the correspondence column of the *North-China Daily News* in which he attempted to distinguish between the Leftists and the Communists. His letter was entitled, "Who are the Communists," and was in the nature of a criticism of the editor of the British newspaper in Shanghai for failing to distinguish between the Kuomintang Left Wing and the Chinese Communist Party. In reference to the alliance between the Kuomintang and Soviet Russia and the Third International he claimed that all the influential members of the Party had originally favored the alliance, but that the Kuomintang C. E. C. meeting held on December 10, 1927 which had voted to sever relations with Russia had been presided over by Wang Ching-wei, the present Left Wing leader. Continuing, Mr. Liang alleged that the Left Wing army, popularly known as the "Ironsides" led by Gen. Chang Fa-kwei, was opposed to the Communists and had launched frequent attacks on them in the recent fighting in South China. He declared, "We are witnessing the curious spectacle of Communist troops being left unhindered by the Nanking armies who at best put up sham fights against them, while being attacked by, or attacking, the Left armies they are supposed to support." The purpose of Mr. Liang's letter apparently was to indicate to the public that the Left Wing is opposed to the Communist Party and made the insinuation that the Nanking armies are purposely not interfering with the Communists, supposedly due to the fact that Nanking has found the Communists of considerable help in opposing the Left Wing troops under Gen. Chang Fa-kwei.

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NANKING BEGINS NEW DRIVE ON TSINPU LINE

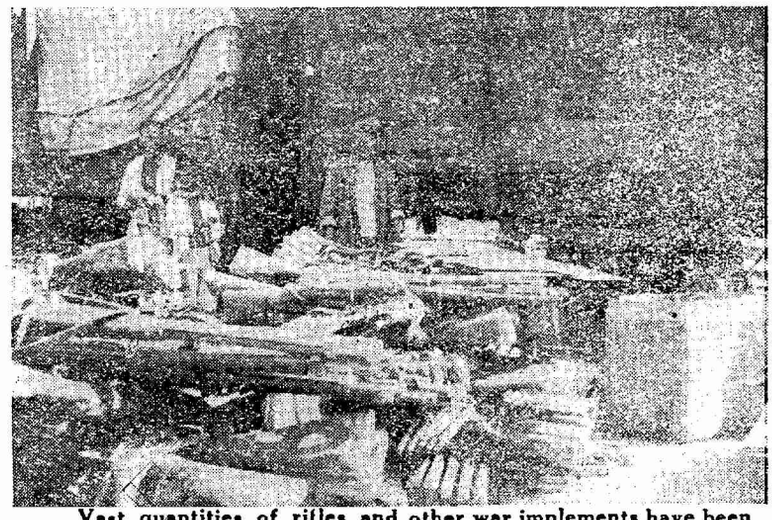
The drive into Shantung along the Tientsin-Pukow railway which the National Government announced on July 8 has resulted in the Northern rebel forces under Gen. Fu Tso-yi (subordinate of Yen Hsi-shan) being pushed back on two fronts, at Chufu and Yenchowfu on the south and at Weihsien on the Tsinan-Shantung railway. Serious fighting also has developed in the vicinity of Tsining, to the west of Yenchowfu. Following the occupation of Tsinan, the Shantung provincial capital, Gen. Fu Tso-yi sent one army eastward toward Tsingtao in pursuit of the retreating Nanking forces under Gen. Han Fu-chu, and another army southward along the Tientsin-Pukow railway, the object in this case to menace Gen. Chiang Kai-shek's base at Hsuchowfu in northern Kiangsu at the junction of the Lung-Hai and Tientsin-Pukow railways. In addition to these forces, Gen. Yen Hsi-shan instructed Gen. Shih Yu-shan, who had been stationed at Tsaochowfu in southwestern Shantung, to also advance his forces toward the Tientsin-Pukow railway. However, Gen. Shih Yu-shan was unable to do this as he was forced to send most of his forces westward into eastern Honan in order to assist Marshal Feng Yu-hsiang who was being pressed by Gen. Chiang Kai-shek's troops in the vicinity of Lanfeng, Kaocheng and Kiukaocheng along the Lung-Hai railway to the east of Kaifeng.

According to latest reports from the front which have appeared in the Chinese newspapers in Shanghai, Yen's advance in Shantung is likely to prove abortive. A dispatch from Pengpu on July 15, which appeared in the *Shun Pao*, stated that the Government troops under Han Fu-chu had advanced eastward along the Tsinan-Tsingtao railway from Weihsien and had occupied the town of Quotien which had brought them within fifteen miles of Tsinanfu. Another dispatch from Hsuchow, also in the *Shun Pao*, stated that other Government troops, advancing northward from Hsuchowfu, under Gen. Ho Yao-tsu, had driven the Shansi troops out of Chufu and Yenchowfu, while still other troops had defeated remnants of Shih Yu-shan's troops in the vicinity of Tsining and Tsaochowfu. It was expected that Tsinan would be reoccupied by the Government forces shortly as further reinforcements were being rushed to this sector from other fronts, particularly from Hankow. A *Rengo* report from Hankow on July 16 stated that the 53rd Division under Gen. Chen Ta-chin, which had been fighting the Kwangsi rebels and Ironsides in Hunan, was now being transferred to Pukow (opposite Nanking) from which point they were being set to the Shantung front.

Hunan Now Free of Kwangsi Rebels

As to the situation in Hunan province, which was menaced by an invasion of Kwangsi rebels and "Ironsides," the following report by Col. Li Fang, which appeared in the *Hankow Herald* on July 12, claimed a complete victory for the Government forces.

"As a result of the overwhelming defeat of the Kwangsi forces and the "Ironsides" at the hands of government troops, there is at present not a single rebel soldier in Hunan. The insurgents received a severe setback in a battle at Hengyang, as a result of which over 6,000 of them were killed, including ranking commanders like Liang Chao-ki and Liang Chung-hsi. Their remnants now numbering only about 4,500, have retreated into Kwangsi at random and have ceased to be a menace. As far as Hunan is concerned, the military campaign is practically over and several divisions of government troops can now be transferred to the Lung-Hai front to assist in the expedition against the Northern rebels."



Vast quantities of rifles and other war implements have been captured by the National forces from the enemy on the Honan front. Most of the rifles are of ancient vintage, but they are sent back to the arsenals for inspection and repairs and possible further use.

In further reference to the situation in the South, a report from Hankow on July 15 (*Shun Pao*) stated that Yunnanese troops had invaded Kwangsi and had arrived at Lungchow and Nanning, while Cantonese trrops were advancing eastward from Wuchow, the purpose being to head off the Kwangsi rebels and "Ironsides" which had retreated from Hunan and occupied Kweilin in northern Kwangsi. Fighting had developed in the vicinity of Luichow and hope was expressed that the rebel forces would be entirely eliminated. In Fukien province where further fighting had occurred between the Government forces at Foochow and a rebel general, Lu Hsing-ping, the *Shun Pao* reported on July 16 that Admiral Yang Shu-chwang, head of the Government forces in the province had arrived at Foochow with reinforcements and that a campaign would immediately be organized to drive the rebel troops from southern Fukien.

LATEST REPORTS ON NEW PEIPING "GOVERNMENT"

The *Shun Pao* on July 16 published a dispatch from Peiping stating that the Kuomintang "outs" who had participated in the so-called "Extended Party Congress," in that city had held an informal conference for the purpose of drafting a constitution for the proposed "government." Chow Lu, one of the members, declared that no military dictatorship would be permitted in the North, while Chen Kung-po, Leftist leader, claimed that all political squabbling was now over and full cooperation existed between the Left and Right factions. Chen stated, however, that the chief problem confronting them was finances, but it was claimed that as a result of the conference held at Yen Hsi-shan's headquarters in Taiyuanfu, that this problem had been solved. It was stated that Gen. Yen's "special military surtax" in his territories would produce $500,000 a month, which was considered sufficient for the financing of the new "government."

Japanese *Rengo* messages from Peiping, however, did not paint an optimistic picture regarding prospects for the new "government." Dispatches by the Japanese service on July 15 stated that Peiping was beginning to take on the atmosphere of Hankow during the "Red" Kuomintang days in that city in 1927. Peiping was plastered with posters containing such slogans as "Revive the People's Movement," "Welcome Wang Ching-wei, Leader of the Revolution," etc., and in addition agitations had already been started in the Peiping schools. This report alleged that since the Shansi faction was responsible for conditions in Peiping, that considerable apprehension existed regarding the tendency toward radicalism and already a feud was developing between the "Reorganizationists," and the Shansi militarists. It was alleged that Gen. Yen might be forced to take steps against the formation of any "government" that would be dominated by the Left Wing. A further dispatch by the Japanese agency alleged that the Peiping political situation "was viewed with considerable apprehension," due to the fear of a new alliance with Soviet Russia, but the correspondent in Peiping for the Soviet official news agency, a Mr. Slepak, had declared that Soviet Russia is not concerned with the activities of the Leftist leaders, Chen Kung-po and Wang Ching-wei. A further Japanese report on July 14 stated that Gen. Yen "was hesitating to organize a Coalition Government because of financial difficulties and also because of a feeling among the Shansi militarists that such a 'government' might undermine the influence of the Shansi faction."

Serious Demonstrations Are Narrowly Averted in Shanghai

Demonstsations which threatened for a time to take on a very serious aspect occurred on Tuesday and Wednesday in both Chinese territory and in the International Settlement. The Communist element was seen in the literature that was scattered by the ringleaders and most of them were anti-National Government in character. Police precautions averted any serious clash, but during the demonstrations on Wednesday along Nanking Road two or three motors cars and a tram car were stoned after which the offenders marched to the British Consulate and tried to demonstrate. They were broken up by the police. Altogether some 32 persons were arrested.

The trouble started on Tuesday in the district around Brenan, Jessfield and Robison Roads. Large crowds congregated and from among the throng rocks and bricks were thrown at the Chinese police. The Settlement police augmented their patrols to keep the demonstrators from entering the Settlement.

The trouble on Wednesday started at 10 o'clock in the morning near the corner of Thibet and Nanking Roads. At a given signal the ringleaders came out into Nanking Road from alleyways and started their march toward the Bund throwing pamphlets into the air and shouting slogans. When in the vicinity of Shanse Road they attacked a car driven by a foreign woman and threw stones through the back window of another car in which two foreigners were riding, only missing them by inches. A stone was thrown through the windshield of a third car. The demonstrators then attacked a tram car breaking several windows. Passengers, conductors and motorman were forced to evacuate the car in order to escape injury.

So fast did the demonstrators move that the police were put at a disadvantage in following their movements and they succeeded in getting to the Bund. They then marched to the British Consulate, but by this time the police were on their trail and about two dozen were arrested. Armored cars and the police patrol wagon were ordered to stand by during the whole of the morning and until 4 o'clock in the afternoon in case of fresh outbreaks.

The tram strike in the French Concession remained about the same during the week. Fitters, mechanics and carpenters remained out, but a service is being maintained.

The strikers resorted to sabotage on the night of July 12. The strikers put seven districts in the Concession in darkness at about 10 p.m. when they tampered with the transformers. Tram service was suspended for several hours and normal conditions were not restored until about noon the following day. Five water and electric mains were cut. Seven tram cars were wholly or partially destroyed on July 11 and 12.

Typhoon Passes Near Shanghai, Causing Considerable Damage

Shanghai was visited by a typhoon on July 14 which did considerable damage both to shipping and on land. The typhoon started inland at a point near Wenchow on the coast of Chekiang and its center passed closer than usual to Shanghai.

The steamer Tjikandi, 11,500 tons, belonging to the Java-China-Japan Line, was forced aground near Foochow while en route from Java to North China. She was refloated a few hours later and came into Shanghai under her own power although leaking badly. The Yangtsze river boat I-Fung belonging to the Yangtsze Rapids Steamship Co. was blown against the pontoon at the Peking Road jetty shortly after noon on July 14. She did not suffer any great damage.

Roofs, mat sheds, billboard hoardings sustained the greatest damage ashore. The hoarding belonging to Millington, Ltd. on Avenue Edward VII along the Lester Hospital grounds was blown down completely and throughout most of the night endangered life as the power was not cut off in the high-voltage electric light wires which were in danger of being snapped at any moment.

Tsingtao Gangsters Raid "Commodity Tax" Office

The resentment of the Chinese merchants in Tsingtao against the recently imposed "commodity consolidation tax" had its repercussion July 10 when gangsters declared to have been engaged by the merchants, rushed the government tax bureau offices, destroying furniture, office fixtures and breaking all the windows in the building. The merchants claim that the tax is exactly the same as likin, the only difference being that it has another name. The members of the tax office staff had been warned before and made their escape before the gangsters arrived. Police dispersed the rioters, and arrested several of the leaders

Stephen G. Porter's Successor also a Good Friend of China

Henry W. Temple, the new chairman of the Foreign Relations committee of the House of Representatives, informed the *United Press* at Washington July 6 that he is in entire sympathy with the policy of his predecessor, the late Stephen G. Porter in regard to the Chinese Republic. Mr. Temple said that he has followed the efforts to unify the Chinese people with great sympathy for years, and will do everything in his power to follow the friendly and co-operative attitude toward the Chinese which Mr. Porter had instituted.

Mexico to Investigate Chinese Immigration Conditions

The Mexican Department of Interior, according to a recent *United Press* dispatch, has instructed its agents, especially those along the northern frontier of Mexico to investigate the legality of admission of all Chinese residents. This course is being adopted, it is stated, in view of demands for deportation of thousands against whom the newspapers are unitedly campaigning as constituting a 'yellow peril", and alleging that they entered the country llegally.

U. S. Trade Commission to Open Offices in Tientsin

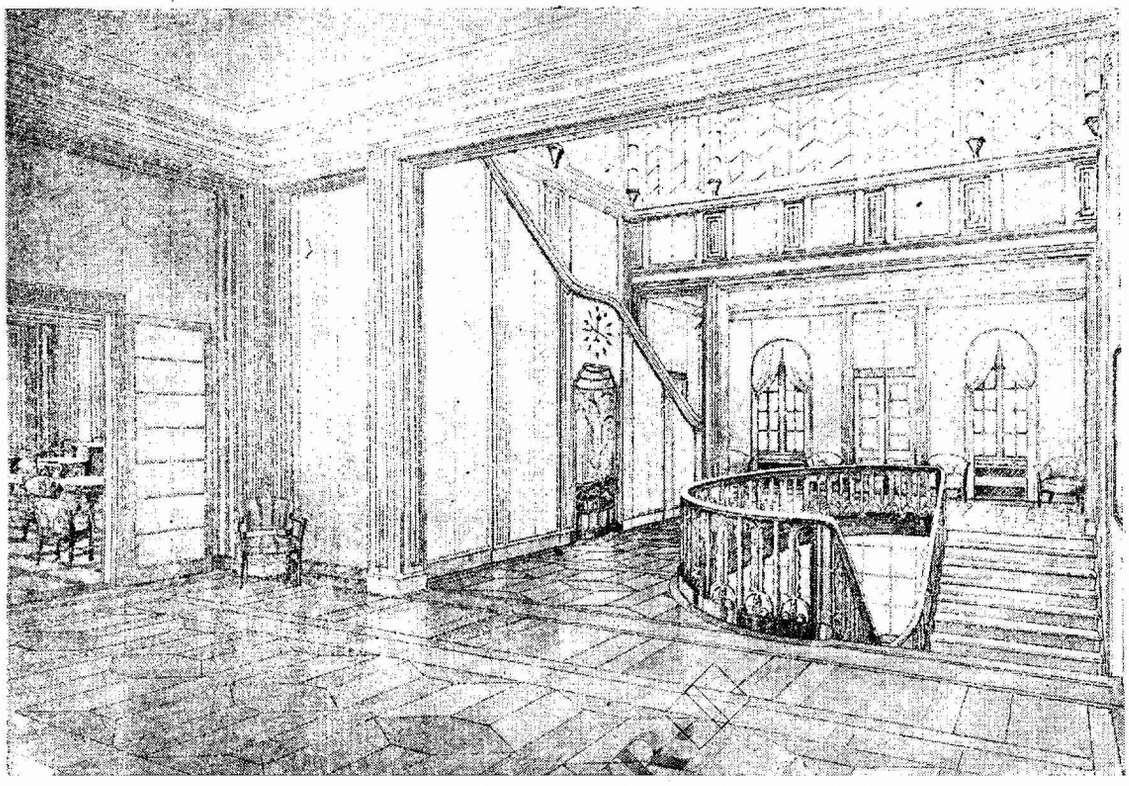
A branch office of the United States Trade Commission for China will be opened formally in Tientsin August 1. The new office will be located in the Banque Franco-Chinoise premises.

Harold D. Robison, will proceed from Shanghai to Tientsin September 1 to take charge of the Tientsin office. He will be assisted by L. C. Venator, now in the Peiping office. The Tientsin office is being opened as a result of the closing of the Peiping branch of the United States Trade Commission, which will take place next month.

Two New 21-Knot Boats Being Built for Dollar Line

Last October the Dollar Steamship Lines signed a contract with the Newport News Shipbuilding and Dry Dock Co., of Newport News, Virginia, for the construction of two new passenger liners.

These ships will be steel twin-screw vessels and will be capable of maintaining a sea speed of 21 knots. Each steamer will cost in the neighborhood of Gold $8,000,000 and will be modern and up-to-date in every respect.



The Forward Lobby on "A" deck, showing an entrance to the lounge

Particulars and dimensions of these vesssls are as follows:—Displacement tonnage 31,000; Gross tonnage 23,000; Deadweight tonnage 15,000; Length 653 ft., Beam 81 ft., Depth 52 ft.,

Ample Passenger and Cargo Capacities

The general cargo capacity of these ships will be 632,000 cubic feet, of which refrigerator cargo capacity accounts for 67,000 cubic feet. In addition to the above, these ships will have facilities for taking care of approximately 1,200 tons wood or cocoanut oil.

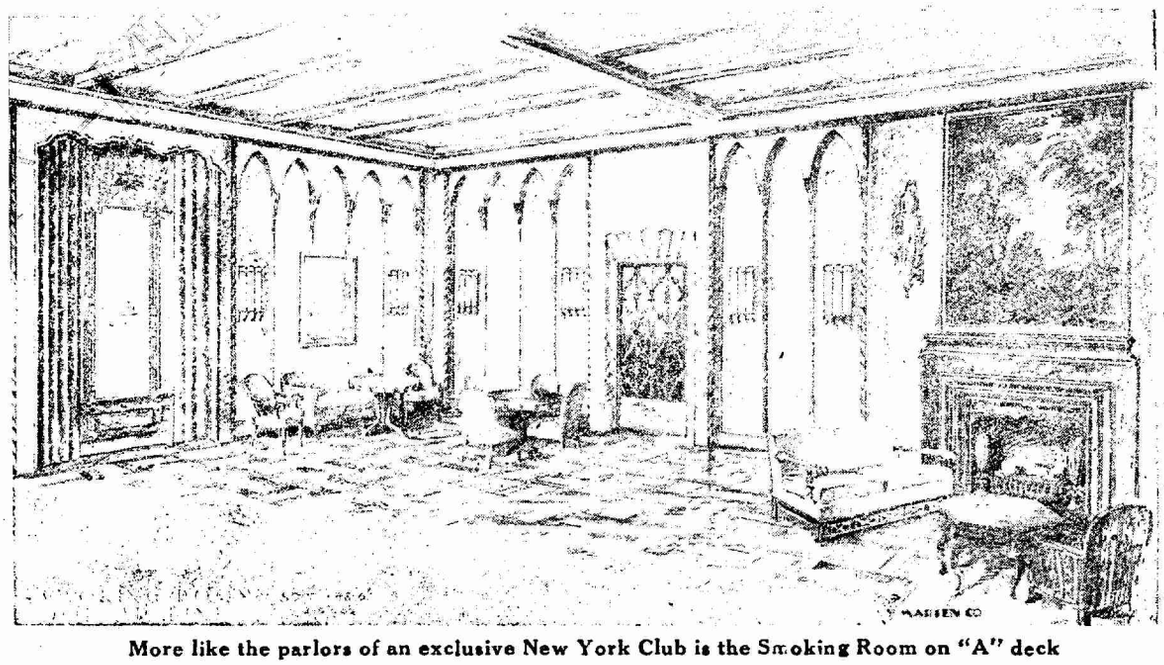
Each steamer will have accommodations for 320 first class, 135 special class, and approximately 800 steerage passenger.

On the aft end there will be situated a swimming pool, 18 feet by 26 feet. Just forward of the swimming pool on the port side will be situated the gymnasium. This gymnasium will be fitted with the latest accessories. Opposite on the starboard side is the children's play room. Midship on the bridge deck are eight choice staterooms with adjoining showers, these rooms being reached by elevator or stair leading into a commodious lobby.

On the aft end of the promenade a soda fountain, equipped with the latest devices in dispensing soft drinks, is being placed. Just forward of the soda fountain is the semi-enclosed veranda cafe. The smoking room is located midship and will receive a rubber tile decking in an attractive design. The walls and ceiling are to be executed in a finely grained hardwood.

Leading forward to the main foyer port and starboard sides are two passage-ways that are broken with two small unique reception rooms. One of these rooms will be equipped with panels that may be opened, and in back of same will be located stock listings. Aft of the social hall is a large lobby with the service of two elevators serving all decks. The lounge is a large room of fine proportions, having for its center motif a large dome executed in etched leaded cathedral glass, the sides having bronze grilles for adequate ventilation. The walls of this room will be painted egg-shell with small moldings, the surface of which will be treated in leaf gold. The forward end of this room will have a stage which will be equipped with the latest in sound producing moving picture apparatus. The furniture will include a goodly number of overstuffed settees for the complete relaxation of passengers, as well as a number of outstanding chairs and occasional pieces.

(*Continued on next page*)



More like the parlors of an exclusive New York Club is the Smoking Room on "A" deck

New Chinese Port to Rival Hongkong

(From the Review Correspondent)

Hongkong, July 2.

The laying of a foundation stone for the construction of a free port at Tangchishuan, in Kwangtung province, some fifty miles from Hongkong will take place July 20. This will mark a forward step regarding the decision of the National Government at Nanking to make the Chungshan District of Kwangtung, the birthplace of the late founder of the Kuomintang Party, the first model district in China. It is anticipated that Messrs. Tang Shao-yi, the former Premier to the Peking Government and veteran diplomat, Chan Ming-shu, the Governor of Kwangtung Province, and many other notable members of the Kwangtung Provincial Government will participate at the ceremony.

The organizers of the construction of this free port under the direction of Tang Shao-yi are exceedingly enthusiastic over their scheme to make Tangchiahuan the chief industrial centre of South China—forming a rival to the British Colony, Hongkong, which enjoys the reputation of being the leading free port in South China.

Effect on Hongkong

The Chinese superintendent of the native Customs House at Canton has promulgated an announcement to the effect that the work on the construction of a free port at Tangchiahuan will commence in the near future and in conformity with a decision by the Chungshan Model District Council it has been decided by the native custom authorities that beginning from July 1 no duties on import and export goods passing the Tangchiahuan harbor in the Chungshan District of Kwangtung will be collected. This exemption of duties is only effective within a certain radius of the port of Tangchiahuan, which has not been fixed as yet. It is understood, however, that Tang Shao-yi expects to get this limit extended to about 7½ miles radius from the port, in order to include the village of Tsaihang, the birthplace of the late Dr. Sun Yat-sen. With a view to encouraging native industries in the Chungshan District the exemption will be extended to all native goods manufactured in the Chungshan District and which go into the interior of Kwangtung or Kwangsi. The construction of a freeport at Tangchiahuan, which is situated only fifty miles to the north-west of Hongkong, at once causes some perturbation, as, if completed, the port will deflect trade from the British Colony.

A Gigantic Scheme

It is not to be doubted that the construction works will take many years to complete, involving several million dollars; and foreigners in Hongkong seem to be very skeptical as to the outcome of the whole plan. One or two English newspapers in South China have predicted that there is a possibility of the scheme becoming a failure as did the gigantic plans at one time provided for the construction of a deep harbor at Whampao near Canton City. These same journals commented that they could see no reason why the Canton Government abandoned the Whampao scheme in favor of the Tangchiahuan and secondly they criticised the Canton authorities for not developing the delta at Canton, considering that Canton was already easily the most flourishing and promising centre of trade in South China with easy communication to Hongkong. Macao and Wuchow. Foreign opinion here also doubts if banking, insurance and other incidentals to commercial business are available at Tangchiahuan, adding that all these factors are most essential for the making of Tangchiahuan a centre of trade and a leading free port in South China.

Mr. Tang's Confidence

At the moment Tang, Shao-yi is most enthusiastic concerning the scheme to convert this peaceful country at Tangchiahuan into a free port and, in an interview with newspaper correspondents he expressed the opinion that in time Tangchiahuan might even become a keen rival to Hongkong for trade, stating that many native industries at present in Hongkong will welcome the opportunity to leave the British Colony for their own land in Kwangtung once the provinces in South China can get rid of their internecine civil wars. Tang Shao-yi stated that at present there is a highway connecting Shekki with Macao, the Portuguese Colony in South China, and in the very near future the port construction committee hopes to connect Tangchiahuan by motor roads with Macao and many other districts in Kwangtung, which would be followed by the construction of a series of large godowns and wharves. The speaker also said that transport facilities by land are most essential for the movement of cargo entering Tangchiahiuan by the ocean-liners. It is anticipated that large sums will be required to make the above scheme a reality and in this connection the rich merchants in Kwangtung will be looked upon for support.

Possesses a Fine Harbor

The ardent supporters of the Tangchiahuan development scheme further point out that Tangchiahuan possesses a deep harbor large enough to moor over thirty ships without difficulty, while the Lingting Sea leading up to Tangchiahuan from the Pacific is more than 100 feet in depth, which will permit the passage of ocean going liners with a tonnage of 20,000 or even 30,000. Another advantage which Tangchiahuan hasover Hongkong is the fact that all steamers plying between Hongkong and Wuchow on the West River pass Tangchiahuan, and the fact that Tangchiahuan is nearer Wuchow will mean a saving of more than 30 miles of travel. On the other hand, it is estimated that it will take a steamer about four hours to go from Tangchiahuan to Canton, going at a moderate speed, while the same voyage from Canton to Hongkong will take over six hours. Those who have confidence in this schene therefore point out that Tangchiahuan is situated in a central position, not surpassed by any other locality in Kwangtung.

The Committee for the construction of a free port at Tangchiahuan consists of Messrs Tang Shao-yi; Chan Ming-shu, the Civil Governor of Kwangtung; Au Yeung-kui, Chief of the Canton Police Force; Chan Hing-wan, Canton Naval Department; Wang Kui-sui; a few Commissioners of the Kwangtung Provincial Government; Chung Wing-kwong, Dean of the Lingnam University; and many other Chinese bankers and merchants of Hongkong and Canton.

TWO NEW 35-KNOT BOATS BEING BUILT FOR DOLLAR LINE

(Continued from page 251)

Directly forward of the social hall is situated the library and writing room on the forward end of the promenade deck, ideally located for light and air. The deck will receive a specially designed overall carpet as well. The partly enclosed promenade will be an exceptional feature on this ship, being 14 feet wide and 560 feet long. On the bridge deck is a shopping lobby with generous proportions wherein will be located a novelty shop stocked with everything to satisfy the wants of the most discriminating traveller.

Four suites de luxe are situated just aft of this lobby. Located mid-ship of the beauty parlor and barber shop is an art lobby, which will receive the finest of equipment. On the aft end of this deck are situated both the tourist lounge and the tourist smoking room.

On the shelter deck directly forward midship is located the purser's office which is large and adequate in size for the proper conducting of this department. The remainder of this deck will be given over entirely to staterooms for passenger accommodations.

On the upper deck is the reception room, the two elevators coming directly to the room with the addition of the main staircase directly forward of the dining room and will be a natural gathering place for those dining in the luxurious and adequate room directly aft.

The main dining saloon on the upper deck will be equipped with tables seating two, four, six and eight people, the Captain's table seating about sixteen. The deck will be of rubber tile and the walls and ceiling painted. This room is also accommodated by a grand staircase leading from the shelter deck. Directly aft is situated a private dining saloon Directly aft of the main dining saloon are located the galleys for both first-class and special class, which will be electrically equipped with everything in the latest type and design. The special class dining room is also situated aft. There will be individual tables for passengers seating two, four and six people. The staterooms will be executed with private baths, and adjoining rooms with connecting baths, and will have a dressing room with twin wash basins and double medicine cabinets with mirrors.

The bath rooms will be equipped with lavatory, bath tub and overhead shower. Salt water will be provided for the tub and fresh water for the shower. The decks will be carpeted over a suitable hair lining. An automobile garage has been provided on "D" deck and cars may be driven in through the side ports. There will be two elevators serving all decks. Each ship will be equipped with a new broadcasting system, enabling news, music and other items of interest to be broadcast. A large modern laundry will also be installed.

The first steamer is to be delivered some time in August, 1931, and the second in October, 1931.

More Sino-British Notes on Extrality

(Manchester Guardian, June 14)

Further letters in the prolonged correspondence which has been passing between the British Minister at Peking and the Chinese Government at Nanking on extraterritoriality in China were issued yesterday by the Foreign Office.

On September 6 last Dr. Wang wrote acknowledging an earlier letter. In the course of it he said:

Extraterritorial privileges, while apparently beneficial to foreigners in China in giving them the impression of security and safety, have really had the most injurious effect on their relations with the Chinese by producing in the latter the feeling of humiliation and the sense of resentment which have always caused mutual suspicion and the consequent loss of mutual confidence, thus undermining the very foundations of friendly relations and not infrequently giving rise to complications and conflicts. Such conflicts and complications could be easily avoided were there none of those special privileges.

In this connection it may be pointed out that towards nationals of certain countries who have lost their extraterritorial privileges and have submitted to the jurisdiction of China the Chinese people entertain the most friendly feelings and repose in them great confidence—a valuable asset, it will be admitted, in the intercourse, commercial or otherwise, of any two peoples. Such marked difference in the relations between the Chinese and the Nationals of extraterritorial Powers on the one hand and those between the Chinese and the national of non-extraterriorial Powers on the other will, as long as the system of extraterritoriality is retained, become more and more pronounced, and much as the Chinese Government may try to discountenance this difference of attitude on the part of its citizens, it will not be within its power to control the natural expression of their feelings.

Promise of Protection

In the event, however, of British subjects relinquishing their extraterritorial privileges they may rest assured that they will enjoy the same confidence of the Chinese people and hence the same material benefits as the nationals of non-extraterritorial Powers. Moreover, the Chinese Government will continue to exercise in accordance with the well-established principles of international law due diligence in preventing any possible violations of the private rights of British subjects and perform its duty in the fullest possible measure in all matters relating to the redress of wrongs.

Case of Turkey Recalled

Furthermore, it may be worth while to recall the circumstances under which the British Government renounced its rights under the Capitulations with Turkey. The Chinese judicial system, it will be admitted, does not suffer the least in comparison with that of Turkey at the time of the abolition of the Capitulations And yet the British Government, realising that the Turkish people, with legitimate aspirations and under the guidance of a new and strong Government, could accomplish great things in a short space of time, had the wisdom and foresight to relinquish its special privileges similar to those enjoyed hitherto by its nationals in China, and has had the satisfaction to find that the life and property of British subjects in Turkey have subsequently received full and adequate protection.

The British Government, which did full justice to the Turkish people in the matter of jurisdiction without any apprehensions and with satisfactory results, will no doubt solve the problem of extraterritoriality in China in the same friendly and sympathetic spirit.

It has been, perhaps, brought to the knowledge of the British Government that the Chinese Government has recently concluded treaties with several other Powers which have agreed to relinquish extraterritorial privileges on January 1, 1930. If it had appeared to the Governments of those Powers, as it appears to the British Government, that there did not yet exist in this country a judiciary capable of rendering justice to their nationals and a body of laws adequate to give protection to their lives and property, they would certainly have refused to give up their privileged position and enter into the engagements they have made.

Now that many of the Powers which participated in the discussions of extraterritoriality at the Washington Conference have already shown by an overt act that that system has outlived its usefulness and should be replaced by one in harmony with the actual state of things, there is no reason why the British Government, which played an important part in the deliberations of that Conference, should not act in unison with those Powers, thus removing the difficulty which the Chinese Government might otherwise encounter in extending jurisdiction over all foreign nationals.

It is the hope of the Chinese Government that whatever misgivings and apprehensions the British Government may have in considering the subject under discussion will now be dispelled, and that in the further examination of this subject it will be actuated by much weightier considerations —namely, the enhancement of friendship between the Chinese and the British people, and hence the promotion of the material interests of both.

It is with this last object in view that the Chinese Government now requests the British Government to enter into immediate discussions with the authorised representative of the Chinese Government for making the necessary arrangements whereby extraterritoriality in China will be abolished, to the mutual satisfaction of both Governments.

The British Reply

Sir M. Lampson, on November 1, 1929, wrote from Peking to Dr. Wang. He said:

In my note of August 10 his Majesty's Government expressed their willingness to examine, in collaboration with the Chinese Government, the whole problem of extraterritorial jurisdiction with a view to ascertaining what modifications in the present system may be practicable. There would therefore appear to be a large measure of common ground between the two Governments in their mutual desire to enter into a discussion of the problem.

It will be difficult, however, to make any progress towards the achievement of practical results until the Chinese Government, as suggested in my note of August 10, have put forward concrete proposals to serve as a basis of negotiations. His Majesty's Government have not yet received any indication of the nature of the arrangements which the Chinese Government consider should be made as intimated in the last paragraph of your note. The views of the Chinese Government on the subject are, however, a matter of vital concern to the Powers who are to take part in the proposed negotiations. Arrangements to be made will need most careful elaboration, and it is on the measure of success with which this task is accomplished that must depend the nature and extent of the changes that can be made, to the satisfaction of both Governments, in the present system of extraterritoriality.

His Majesty's Government, in reiterating their willingness to proceed to a joint examination of the problem, have thought it proper to put forward these considerations not out of any desire to frustrate the wishes of the Chinese Government, but because, if the proposed negotiations are to pursue a fruitful course and lead to satisfactory results without undue delay, it seems clearly desirable that the proposals which will form their subject should first be submitted to careful preliminary study.

A Prize Poem by a Chinese Student in Los Angeles

(Literary Digest, June 14)

Lee Shippey, who edits a poetry column in the Los Angeles *Times*, has just announced the prize in his "spring poetry contest." He wries that "a Chinese student, a policeman, a novelist, an ex-soldier, a teacher, and a scenario writer submitted the best" of the six hundred received. The prize didn't go to the one we quote, but in spite of its suggestion of Poe, and, perhaps, because of it, we quote it here:

SOLITUDE

BY CHONG YING CHANG

I sit and dream within my lonely room,
The moonlight is my dim companion here—
The moonlight and nameless, haunting fear
Which deepens all the shadows of the gloom.

My fancy makes familiar things assume
Disturbing shapes, and ghostly faces leer
Like memories that will not disappear.

The wind is moaning with a cry of doom,
A tapping on my door! A wisp of sound!
At every mournful gust it comes again,
Like bony fingers rattling at the key!

With sinking heart I seek what may be found
Beyond the portal. Nothing at first—and then
Dead flowers that the wind has brought to me.

Hulutao—a Challenge to China

BY EDWARD HUNTER

JAPAN, more concerned than any other Power over the prospect of a competitor for Dairen, has filed no protest over the construction program for Hulutao Harbor. It is not because she does not consider such an enterprise a menace to her own prosperity and economic sovereignty. It is not because she is pleased to welcome a Chinese-controlled harbor in Manchuria, or is uninterested. It is because she does not believe the harbor ever will be built!

An official Japanese representative of the South Manchuria Railway Company participated in the ceremonies at Hulutao on July 2, when the beginning of work was dedicated with a flourish of trumpets and the detonation of trinitrotoluene on Dog's Ear Island (Kaulantao). He was immaculately attired in a frock coat, bowed deeply as he read his congragulatory scroll before an audience of Chinese and foreigners in the Navigation School. He smiled as he stepped from the platform, and his smile had that wrinkle about the lips which seemed to say, "Now let's see you build that harbor."

The echo of that same skepticism could be heard in audible tones throughout the day of the ceremony, wherever foreigners gathered in little knots. The Japanese remained discreetly silent, or else rendered lip praise to the project.

For Hulutao Harbor constitutes a challenge for China. It is a challenge to achieve as contrasted with talk. So often has the latter constituted all that ever become of a high-sounding project that outsiders are heard to maintain loudly and yet more loudly that China's bag of tricks contains only words. That is why it is wise that the sponsors of the Hulutao project realize that Tokyo avoided a formal protest not because she did not oppose, but because she did not consider a protest necessary!

Great Britain did object, but therein lies a challenge equally as taunting as the Japanese. If London considered that the completion of the harbor was only a matter of the few years specified in the contract, and that thereby the income of the Peiping-Mukden Railway would be appreciably increased, facilitating the payment of debts, there would not have been any protest. It is because England suspected that the harbor never would be completed, and that therefore the debts would only be increased in size, that the protest was filed. The Japanese and British press have said as much in brazen words.

Deeds not Words Wanted

The reaction should not be that of indignation, in the face of what has taken place so often after impressive dedication ceremonies for the inauguration of ambitious projects. The healthy attitude which would do most toward accomplishing Hulutao Harbor can only be a determination among the Chinese to permit no internal dissension to wreck the project—to realize that it will be no excuse to plead civil warfare, famine and the drop in silver, or any other factor. These have been used so often that the outside world gradually is coming to believe that these are merely the refuge of failure. Therefore, even if true, China cannot expect recognition of the fact. The only road left open is to complete the task. That fatal characteristic of internal disunity and disintegration must be conquered, and the harbor completed as a monument to the spirit of the present, of the nascent unity of a New China.

Now that the celebration is ended, and the visitors to Hulutao have scattered, leaving it again a lonely, majestic island off the coast of Liaotung Gulf, it might be well to take stock of what took place, of how things stand, and of the requirements of the future. In the first place, it should be noted by those whose patriotism or lack of patriotism will decide the fate of the harbor, that the ceremonies were staged by the Opening Ceremony Commission of the Peiping-Liaoning Railway Administration. From the phraseology of the name, those who do not know might be confused into believing that the opening ceremony was for the harbor, and not merely the beginning of work. Others might be confused into the delusion that a ceremony accomplishes anything of actual importance to China or the world. It does not.

Correspondence officially referred to the "inauguration ceremony of the Hulutao Harbor project." Would it not have been preferable to err in the other direction, foregoing inaugurations until there was something concrete to dedicate, something more than a handsome white slab monument? The mistake must not be made again of confusing the decision with the putting of it into effect. Fundamentally, nothing has been done as yet. Ceremonies in themselves are vacuous, if not vapid. Unless they are recognized as merely the preliminary to the donning of the overalls, they are of more harm than good, for they take the mind off the important task which confronts it.

Aside from the challenge implied in the nonchalance of the Japanese and the protest of the British, there is deep reason for the stressing of these facts, for already all is not harmony at Hulutao! It is not merely an undercurrent of intrigue, but has reached the vernacular and foreign press in the form of charges and counter-charges between the Chinese and the Dutch.

Where Were the Dutch?

So well arranged and delightfully conducted were the ceremonies that it was only an afterthought that the absence of the Dutch was noticed! Except for a young, minor official who came by train, they did not participate! Inside the auditorium where the ceremonies began, and where congratulations were so prettily bestowed and courteously received, addresses were made by Chinese, by Japanese and by Russians. But not by the Dutch. In fact, there was barely any incidental mention of them.

Yet it is the Dutch who are to do the constructing! The explanation has been given by them that they are perfectly willing to be considered merely as the servant employed to do a piece of work, and do not insist upon any formalities, much less glory. It is a Chinese-inspired project, and the Dutch are solely the employes. This is perfectly true, but the construction of a harbor is an engineering project demanding highly skilled knowledge, and the builders cannot be considered in the classification of mere laborers performing the august bidding of an executive. Although it might be more tactful not to bring up this phase, its suppression in public discussion only too easily could cause an underground fermentation of disharmony at Hulutao, and the time to prevent this is in the very beginning.

Petty details must not be permitted to obscure the importance of the whole, and must give way for the sake of ultimate succeess. Red tape and obstructive regulations must be avoided at all costs. There can be no logical reason in fact, only in red tape. why supplies and machinery for the work at Hulutao should not be entirely unloaded there. It is a government project, and the fact that Hulutao is not an open port is fundamentally a matter of pen and ink, whereas the fact that there is water touching land at Hulutao, with facilities ready for unloading from ship to shore, is a reality. There is no sensible reason why supplies should be sent tediously by rail by way of the port of Newchwang at the insistence of subordinate authorities. This merely allows an artificial, man-made regulation obtain supremacy over the actuality of the case. Some of the harbor machinery is said to be from 60 to 80 tons, and the railways hesitate about loading a freight car with such a weight, when the rails are but 65 pounds. It is to be sincerely hoped that ridiculous details of office routine such as this will be solved in the only efficient manner possible, especially at so early a stage in the construction work.

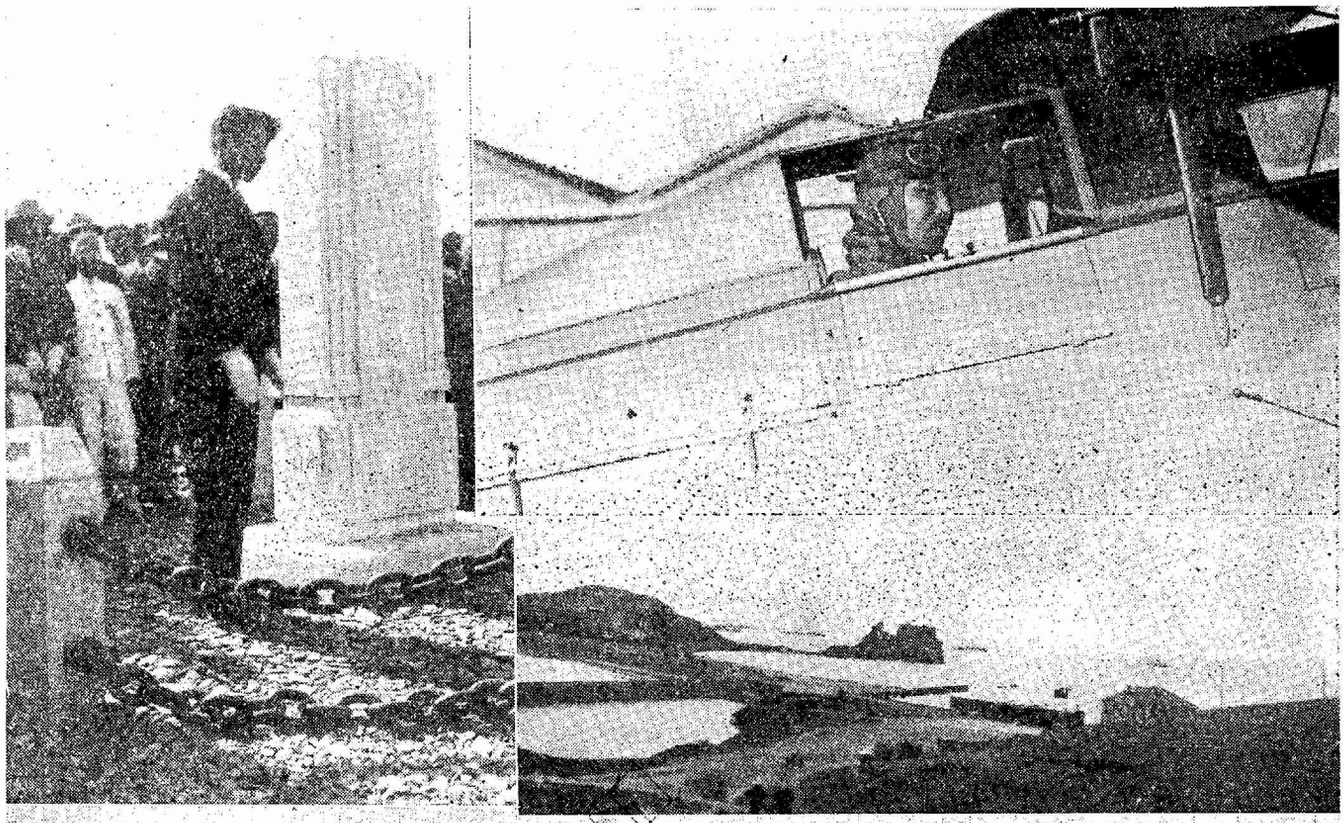
Attacks on the Builders

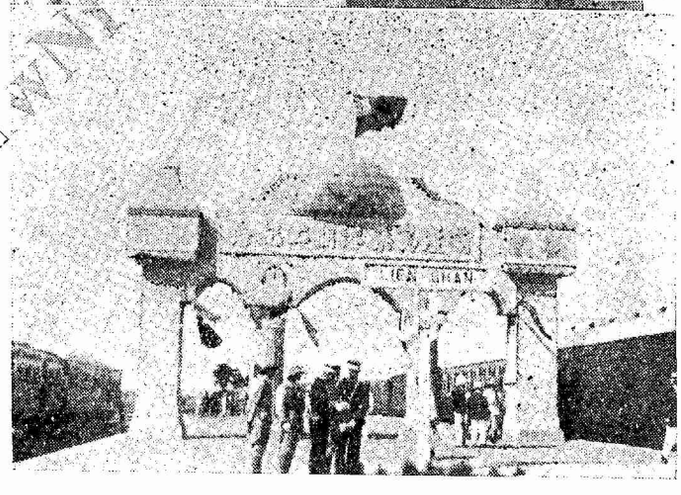
There already have been vicious newspaper attacks upon the Netherlands Harbor Works, which signed the contract with the Nanking and Mukden governments. The *Min Pao* of Mukden on June 26 headed an article, "Hulutao Harbor Contractor's Crooked Line of Action." It is to be doubted, in the face of the reputation of the vernacular press insofar as verity is concerned, whether a firm of international reputation suddenly would descend to "crookedness" when it came to China. One is tempted to use the word "squeeze" or "blackmail."

Payment was held up for several months. Regardless of details, so often have payments been held up in the past on pretexts that the onlooker is inclined to be suspicious. It were well to err in the opposite extreme this time, for the sake of Hulutao Harbor and what its completion or failure will signify.

Throughout the day of the ceremony, those who rambled about the scene noticed that the only work which was taking place was at the side of a hill nearest the seaside, where several hundred Chinese coolies were at work with picks and shovels, loading small baskets with dirt and gravel. The baskets were attached, one to each end of a bamboo pole, and laboriously carried to the sea

CHIANG HSUEH-LIANG AT OPENING OF HULUTAO HARBOR DEVELOPMENT





Top Left—Marshal Chang Hsueh-liang delivering address at beginning of construction on new Hulutao Port.

Top Right—Marshal Chang in his new "Moth" plane.

Center Left—Mayor Chang Chun of the Municipality of Greater Shanghai (left) and General Wu Ti-chen of Nanking (right), attend ceremony.

Center Right—A bird's eye view of China's future harbor at Hulutao.

Bottom Right—Chinese sailors and marines on review at the ceremonies marking the beginning of construction on the Hulutao Harbor project.

Left Bottom—Decorative pailu put up for the inauguration ceremony.

—Photos by Manchurian News Reel, Mukden

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and dumped inside. The machinery is on its way, it was explained.

A dual impression resulted. The Dutch have assumed the responsibility of actually doing the work of constructing the harbor. It is up to them to energetically fulfill their part of the bargain. And it is up to the Chinese to provide them the facilities which the task requires, unobstructed by intrigue and the whims of subordinates.

The ceremonies themselves were certainly impressive, and must have cost many, many thousands of dollars. There were few sleeping cars left for regular service on the Peiping-Mukden line that day, for virtually all were at Hulutao. A long line of Blue Expresses, in which cars of other railways in China Proper could be distinguished, waited at Lien Shan station, the junction between the seven-mile branch to Hulutao and the Peiping-Mukden main line. The several hundred guests were not required to pay a penny. All expenses were assumed for them, from champagne to sleeper berths, from cigarettes to a special train for those who wanted to go to the beach resort at Peitaiho afterwards. Each hill at Hulutao for miles about was crested by a couple of military look-outs. The highways were lined by troops. An armored train, with a fierce-looking Russian captain, came as far as Lien Shan station. The personal airplane of Marshal Chang Hsueh-liang, a handsome blue Moth, and two companion Moths, did acrobatic stunts in the air of a death-defying nature. The "Young Marshal's" machine was piloted by a Frenchman, and the other two by Russians.

Stunts with Airplanes

When the "Young Marshal's" personal train of private cars arrived, he was accompanied by his entire bodyguard of several hundred handsomely-attired young men in khaki, some in their early teens. The Marshal's flotilla of five stately, decorated gunboats lay rocking in the harbor, where white-capped billows suggested a rough sea. The white-uniformed personal bodyguard of the admiral stood at attention at the railway station. Several hundred naval students from the Navigation School, the most impressive of the few buildings at Hulutao, were out in snappy, white uniforms, and their band played lively airs.

The ceremonies were scheduled to begin early in the morning, but the "Young Marshal" did not arrive until noon, and remained in his train until 2 p.m., while a buffet lunch with champagne was provided for guests in the meanwhile, on the veranda of the Navigation School. After tiffin, the aerial circus staged by the three Moths, barely flitting over the trains and dangerously skirting hills, brought the party out to the hillsides for applause and snapshots.

With a fanfare, the band resumed, the bodyguards of the military and naval chiefs stood at attention, and at 2 o'clock a procession appeared from the shed of the improvised station, and with the "Young Marshal" near the forefront, treading its way between a line of soldiers up the hill to the Navigation School.

Bodyguards circled the institution, and the crowd surged inside. The "Young Marshal," attired in high hat and frock coat, his slight figure, thin cheeks and fingers displaying a nervous tension, rarely smiled. Those who remembered him in his younger days were prone to remark how heavy the cares of state must be in Manchuria, and how perilous it must be to be steersman between the various currents of factional strife and warfare.

After the felicitous speeches, the entire party repaired to a hill by the edge of the sea, where a monument was unveiled by the Marshal. Kao Chi-yi, managing director of the Peiping-Mukden Railway, pushed a small button simultaneously with Marshal Chang's removal of the enshrouding flag, and a detonation struck the air. A corner of Dog's Ear Island was being blown up.

Again there was evidence of the persistent strain under which the "Young Marshal" lives, for at the unexpected bass roar of dynamite, and as the dust filled the air over the scene of the explosion, his body tightened and his facial nerves twitched. Photographers took advantage of the moment to push their way forward and to snap him repeatedly.

A few minutes later he disappeared into a nearby structure, changed into the uniform of an admiral, reviewed the naval forces, and departed as the salutes of his naval squadron faded into the sunset.

The ceremony was ended, but the building of Hulutao Harbor remained.

Hulutao, July 4, 1930.

Unstable Conditions in Central China

BY C. T. LIANG

Political instability, civil war, financial stringency, high prices for rice and banditry are the principal characteristics of Central China at present. Yochow once again came into occupation of Pen Teh-kwei's riff-raff at the biginning of the current month. According to eye-witnesses, this gang made a better showing in its treatment of the civilian population, excepting foreign missionaries, than did their fellow workers in either Kiangsi or Hupeh. Upon the approach of Government forces July 4, the gang took to its heels again, carrying away only the staff members of the Maritime Customs at Chenlinchi.

With the exception of the Hunan and Shantung fronts, little change has taken place in the war situation. About the end of last month, acting on the presumed betrayal of General Hsu Yuan-chien, the Kuominchun troops advanced as far as Yencheng, along the Pinghan line but they gave it up upon discovering their mistake, so that the front remains as it was. On the Lunghai line, both sides are eager for an advance—the south for the capture of Kaifeng and the north for breaking through the southern lines into Anhwei to link up with Sun Tien-yin's beleagured troops. With reference to Hunan, the "Ironsides" and the Kwangsi army seem to have abandoned their idea of reaching the Yangtze Valley. Owing to the changed situation following the death of Lu Huan-yan and the capture of Tsinan by Shansi, they apparently renewed their determination to sweep into the two Kwangs again, which they consider their native provinces. The capture of Tsinan by the North has created a serious situation for the military authorities. They have few divisions to spare for the Shantung front. Hence the new diversion of the "Ironsides" and the Kwangsi army just suits them; and already they are announcing the total annihilation of the "remnant Ironsides" and the Kwangsi army in preparation for the withdrawal of the Government forces from Hunan to Shantung, whither General Hsia Tao-yin proceeded long ago.

Hupeh Government Living from Hand to Mouth

The Hupeh Provincial Government has for months been living from hand to month. At a time when the authorities need more money to defray war expenses, the spread of banditry throughout the countryside consequent to the withdrawal of garrison troops, make the collection of revenues by the government an impossible task. The various revenue collectors, wherever stationed, discontinue to remit any funds, on the pretext of banditry. This has been so with Ichang, Shasi and practically all other revenue-yielding areas, including Hankow. The practice is abused to such an extent that the Provincial Finance Department has to despatch agents on inspection tours. For the time being, borrowing has become the fashion. The Hupeh Provincial Government borrowed one million dollars from the local merchants on the security of the Yinshan line deposits while the Special Agent of the Finance Ministry for Hupeh borrowed another million—but the salaries of the Government employees for June all remain unpaid. It is with this in view that General Ho Chen-chun, Chairman of the Hupeh Provincial Government, recently enunciated the following retrenchment policies:—(1) All budgets shall be reduced and kept within limits; (2) All new organs shall be inaugurated only after the conclusion of military operations; (3) Further enlistments to the Provincial Militia Force shall cease until after the close of the military operations; and (4) The River Police shall be established after the present war.

Hand in hand with this unhappy situation, there arose a short while ago rumors of a reorganization of the Provincial Government Committee. Apparently the rumors were inspired by some dissatisfied members of the Provincial Government Committee against the Finance Commissioner, Chang Kwan-hsi. For a time it seemed as if the matter would assume ugly proportions—until Chairman Ho Chen-chun put a stop to them by his firm attitude.

To the people in general, the rise in the price of rice has caused no little concern. It has already gone above twenty dollars per picul. People with humble means can only view the situation with horror. The recent importation of rice from Shanghai may have eased the market somewhat.

Hankow, July 9, 1930.

The Question of Taxing Chinese Who Wear Foreign-Style Clothes!

BY PAUL K. WHANG

OF LATE the leaders of various Chinese native industries have launched different movements to promote the use of native goods: Patriotic speeches have been delivered to the public; free literature has been distributed among the populace; illustrative placards with such slogans as "Chinese should use Chinese goods" have been posted on the walls of busy throughfares; and public exhibitions of native products have been held in different cities. In spite of these demonstrations and shoutings, the public seems to be indifferent to their patriotic appeals, and shows no interest in any movements of such a nature. Recently the Shanghai Branch of the Kuomintang Party has come to their aid by passing a resolution that no member of the Kuomintang Party should be permitted to wear foreign dress. In connection with this resolution, a certain Mr. Ou has written to one of the sponsors of these movements a very interesting letter, in which he proposes to levy a tax on the Chinese wearing foreign dress. He says:

"Being fully in agreement with the proposal that all the members of the Kuomintang Party should be prohibited from wearing foreign apparel, which has been discussed in the 22nd meeting of Shanghai Kuomintang Branch, I hope it will soon be passed and acted upon. In accordance with the customs report, every year China's import has greatly exceeded her export, and among the goods imported cotton and woollen goods constitute the biggest item. It is very sad to relate that the Chinese people have been habitually worshipping everything foreign and looking down upon everything Chinese. Thus foreign dress, foreign houses and foreign food are the fashion of the day. In speaking of the fashion of wearing foreign dress among the Chinese, it has been originally started by the compradores and the employees of the foreign firms, then followed up by the students, and now even taken up by the lower classes of our people. It is a patent fact that the number of people wearing foreign dress in Shanghai now is one hundred times more than that of ten years ago, and it naturally follows that if the present tendency is left unchecked, after another ten years all the people in Shanghai from the intelligentsia down to the ricksha coolies will be seen in foreign dress. If the government does not view this situation as grave enough to take action, and leaves it to its own course, it is a foregone conclusion that after a few years China's cotton and silk goods will find no buyers among the Chinese people.

"Just a few months ago, the Shanghai Silk Goods Association conducted a great campaign urging the public to give up their foreign dress and to adopt native products for their wearing apparel. But in spite of the lectures and advertisements, the campaign has not brought any appreciable results. It seems to me that we can no longer change the fashion of our people by eloquent and persuasive speeches, and that we must resort to some high-handed measures to suppress it. As Shanghai is the 'hot-bed' of fashions, we must devise means to kill this fashion of wearing foreign dress at its source. I hereby propose that a tax of $50 to $100 should be levied upon any one who chooses to wear foreign dress. With the levy of this tax, the number of foreign dressed Chinese will be naturally decreased, and the demand of Chinese cotton and silk goods will be increased. It seems to me that it will be futile to place the regulations on the members of the Kuomintang Party only, and that the bar should be placed upon the general public as a whole. I am sure that the carrying-out of my proposal will do much to promote the growth of our native industries."

Where the Idea is Fallacious

The above letter, since its publication in the Chinese press, has aroused a considerable interest in the Chinese public, and a few editors of the Chinese newspapers have commented favorably on this "Foreign-dress" tax. After a careful perusal of Mr. Ou's letter, I have come to the conclusion that this new tax might put a stop to the growing number of foreign dressed Chinese, if Mr. Ou considers such a tendency is a disgrace to our nation, but that if this tax is intended to promote the growth of Chinese native industries, its fallacies can be amply shown by the following facts.

First of all, it is true that the number of foreign dressed Chinese has been considerably increased of late, and that all the foreign clothes are made of fabrics imported from foreign countries. But it must be noted that even the Chinese in making their own dresses have now adopted foreign fabrics. Nowadays, the Chinese do not use much Chinese silk in making their blouses and long gowns, but they use serge as their principal wearing fabric, as serge is cheaper and more durable than the Chinese silk. Therefore if the tax should be levied upon Chinese wearing foreign dress, because the foreign dress is made of foreign fabric, there is no reason why the same tax should not be levied upon the Chinese who use foreign fabrics in making Chinese garments.

Secondly, if the foreign dressed Chinese should be taxed because they buy foreign goods, then Chinese girls shoull be doubly taxed because they buy even more foreign products. Now, you find everything on the so-called modern Chinese girl is either of foreign origin or of foreign imitation: Her garment is made of imported fabrics; her toilet articles are of foreign make; and her high-heeled shoes and silk stockings are of foreign imitation. Therefore in order to promote the growth of Chinese native industries, it would be futile to tax the foreign dressed Chinese men only while the Chinese girls are competing with each other in dolling themselves up with foreign articles.

Lastly, to some Chinese the wearing of foreign dress might be a fashion, but to many it means convenience and economy. Any Chinese will concede the fact that foreign dress gives much more convenience to the wearer than the Chinese dress. But what makes the foreign dress popular is its economy. Any foreign dressed man can get along the whole year round with four suits of clothes, but the Chinese dressed men can hardly get around the year with four Chinese long gowns. Moreover, Chinese silk is very expensive, and one long silk gown will cost as much as one suit of foreign dress. Aside from silk goods, China does not produce other wearing fabrices which can really be called Chinese products. Take cotton goods for instance, China has to import the yarns of fine size in order to produce the goods for general use. Therefore when one can not afford to wear silk garments, one has no alternative but to use foreign fabrics.

After pondering over the above-stated reasons, I do not see how this proposed tax can bring in the desirable result. In view of the fact that the government at the present time is badly in need of money to finance the war, the proposed tax might serve as a new source from which the government might draw additional revenue. Aside from that, it can not bring us to the belief that it will serve as a means to the promotion of China's native industries.

Shanghai, July 14, 1930.

Chinese Chamber Elects Members of Executive Committee

At a special meeting of the Executive Committee of the Chinese Chamber of Commerce of Shanghai held July 10 the following chairmen of various committees were elected: Native Products Promotion Committee, Lu Wen-shao; Committee to study relations between employers and employees, Chen Sung-yuan; Planning Committee, Fang Tsau-pah; Library and Educational Committee, Chu Wen-ho; Arbitration Committee, Pei Sung-sun; Financial Committee, Hui Ying-ching; Trustee for Public Loans, Hsu Sing-loh.

Anglican Church Conference Being Held in London

A *Reuter* dispatch from London stated that the largest assembly of the Episcopacy in the history of the Anglican Church gathered at St. Paul's Cathedral, July 6, for the opening of the Seventh Conference.

There were over 300 Bishops from all over the world, white, yellow and black, including several Chinese bishops, a Japanese prelate who was once a Buddhist, the native Lord Bishop of Dornakai, South India, and Bishop Howell, a native African. The deliberations of the Conference will be secret and will continue five weeks. The unity of the church is the principal item on the agenda, including the South Indian reunion scheme. The Conference will act merely in an advisory capacity.

International Economic Policy of India

BY DR. PHIL. TARAKNATH DAS

British news-agencies and propagandists are spreading misinformation about the character of the Indian Nationalist movement, by classing it as an offshoot of communism. British propaganda-machines never hesitate to distort facts and spread misinformation to further British imperialist purposes. In this connection I wish to say that the British officials, even cabinet members, were directly involved in spreading propaganda, during the World War, to the effect that Germans were boiling the dead bodies of their own soldiers to get fat necessary for making ammunition. This propaganda was spread to rouse public opinion of the world, especially the people of the Orient against Germany. Similarly British agents are carrying on propaganda against India on an international scale and in various ways; and classing the Indian nationalist movement as communistic is one of them. It is needless to emphasize that the Indian Nationalist Movement is being directed by the All India National Congress which professes the creed of complete independence of India.

The All India National Congress was organized some forty-five years ago. It has passed through the evolutionary process of working for political reforms in India and it *last year adopted the creed of Indian Independence and not communism.*

From a careful study of economic policies of the Indian nationalists, it becomes evident that the Indian nationalists will assert their full economic independence along with their political sovereignty. The future Indian Nationalist Government, be it a Federated Republic of the United States of India or of some other form, will remove all laws which operate in favor of Great Britain and discriminates against other nations. There will be no special privileges for any nation, although special measures might be adopted on the basis of reciprocity between India and other countries.

Special Privileges to be Abolished

To be concrete, Indian nationalists will abolish all laws which now confer special privileges to British subjects in matters of trade and commerce. As things stand today the British can exploit mineral resources of India, while Americans, Germans, Japanese, Italians, French and other nationals, friendly to Indian aspirations are denied the same opportunity. British merchants and industries enjoy special privileges, through the enforcement of modified form of Imperial Preference in India. It is certain that such preferences will be abolished and all friendly nations will have equal opportunity in participating in Indian commerce. The Indian nationalist government will seek cooperation of the experts of the world for the development of their country. Indian nationalist tariff policy will be of great benefit to all nations. In this connection it will be of great interest to the businessmen of all nations friendly to India to note the following despatch published in the Indian Press:—

"Kobe, Japan, April 6. 1930—In view of possible misunderstanding, the Secretary of the Indian National Congress Committee of Japan issued the following statement in connection with the Cotton Tariff proposals of the Government of India:—

"The Indian National Congress or Mahatma Gandhi has absolutely nothing to do with the increase in cotton goods duty proposed by Indian Government. The British Government in India has proposed a discriminative duty of 5 per cent on imported Non-British cotton goods, simply with a desire to aid or to subsidize Lancashire to that extent. All Indian Nationalists, within or without the Legislative Assembly, have constantly opposed any form of Imperial Preference. India has not only nothing to gain by this preference to Lancashire but surely something to lose. It is quite likely that India may be deprived of the sympathy of the other cotton good manufacturing countries, specially Japan which buys a considerable quantity of Indian raw products. This may not be quite accidental. The British could not have missed this aspect. This discriminating act hits Japan economically, India economically and politically, and all this to the benefit of the British. Things would have been quite different if India was dependent

An independent India may impose duties on imported goods in order to protect her industries, just as every other country does or should do for national welfare. But certainly there could be no preference for one country and discrimination against another."

Legitimate Property Rights to be Respected

During the last session of the All India National Congress held at Lahore, the Indian nationalists deliberately adopted a resolution to the effect that the Indian Nationalist Government will respect all legitimate private property and recognise only such parts of India's national debt as will be recognised as just by the decision of an Impartial Committee for the Adjustment of India's National Debts to Britain. This resolution and a declaration of Pandit Jawarah Lal Nehru, the President of All India National Congress (who is now in British prison) has been misinterpreted by British propagandists to the effect that under the regime of Indian nationalists, there will be no security of private property and they "in a Bolshevik fashion" will repudiate all national debts of India. The truth of the situation is as follows:

In some instances, some Britishers may be deprived of certain property which they secured dishonestly and such procedure is not a practice of Bolshevism, but is well recognised by private international law and municipal laws of various nations. For instance, some Americans by improper means secured a lease of a very valuable Government oil-land. The United States Government through a due process of law, not only cancelled the lease but punished the dishonest party. Indian shipping industry has been destroyed by the deliberate policy of the British Government. The Indian Nationalists just now propose that all coast-wise shipping of India be reserved for Indian shipping. This policy will certainly hurt British shipping interests, but adoption of such policy cannot be regarded as confisciation of British shipping interests; because such laws are in force in various countries especially in the United States, Japan, and Italy.

Indian Nationalists will legitimately demand that the British Government must return all Indian National treasures which have been removed from India. This will certainly include that the Kohinoor and other diamonds, which are now parts of British Crown Jewels, and many valuable things that are now in the British Museum. None should be astonished if the Indian Nationalists make such legitimate demands. This is sanctioned by International Law; and only recently Germany by the Treaty of Versailles, was forced to return all the Chinese Astronomical instruments which were brought into Germany after the Boxer War.

India Saddled with Unjustifiabe Obligations

There can be no denying that the British Government, from the very start of its direct administration of India by the British Crown, saddled India with vast sums of unjustified obligations. When the East India Company (which robbed India in every possible way) was dissolved, after the Sepoy Mutiny, the British Government made the Indian people pay for the then outstanding bonds of the company; at the same time the Indian people were made to bear the cost of the suppression of the Sepoy Mutiny. Furthermore the Indian people were made to pay for the Afghan Wars, the Burma Wars, British Expedition to Tibet, part of the expenses of the Boer War, various expeditions and wars against China and several billions of dollars for the World War. The Indian people, therefore, have been burdened with vast unjust debts by the British Government: and they have paid hundreds of millions of pounds sterling as interest on these unjust debts. Then again, all Indian economic experts agree that the British Government has deprived India of hundreds of millions of pounds sterling, through its "exchange policy" which is in favor of Britian and against Indian interests. Lastly India has been made to pay for the British army of occupation. What the Indian nationalists claim is that there are some disputed points in Indo-British financial relations of the past and there should be readjustment of claims by an impartial commission. To the British public, the idea of a readjustment of Indian National Debts is looked upon with abhorrence. But they forget that they have robbed Germans, hundreds of millions of dollars by confiscating German private property, in violation of all the established principles of international law. Repudiation of unjust debts imposed upon a people is not a new principle. The Government of the United States repudiated all the debts

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of the Southern states who borrowed money from Britain to carry on Civil War. Indian Nationalists claim that Britian has enriched herself by imposing upon India unjust national debts and they will demand a re-adjustment at the final settlement.

Civil Disobedience and Boycott

The Indian people are carrying on their War of Independence against British Imperialism by applying the only effective weapon of the disarmed. They are practicing Civil Disobedience, non-payment of taxes and boycott of British goods and British business in general. British propagandists have spread the idea that Indian nationalists have proposed to boycott all European goods. But according to the resolution adopted by the Working Committee (Cabinet) of the All India National Congress, recently held at Allahabad, it *"urges the people to make earnest attempts to bring about an effective boycott of British goods at an early date. The Committee further appeals strongly to the public to boycott all British banking, insurance, shipping and similar other institutions."*

The weapon of boycott was used by the Irish against the policy of British ruthlessness. The Chinese used this weapon against the British and Japanese on various occasions. In fact the effective boycott of British goods and business by the Chinese nationalists forced the British Government to change its gun-boat diplomacy against the Chinese. The policy of economic boycott of British business in Britain by the Soviet Government has forced the British Labor Government to re-establish diplomatic relations. Indian nationalist economic policy is to make the British attempt to rule over India unprofitable and most costly to Great Britian. No friendly nation has anything to fear from the international economic policy of the Indian Nationalists, although Britain will lose all special privileges and some of her ill-gotten gains, derived from exploitation of India.

"White" Detective Arrested by Chinese at Hailar

A "White" Russian named Sameiloff employed by the Chinese Police at Hailar as a detective was recently arrested by the Chinese authorities. The motive for the arrest has not transpired, but it is rumored that he was suspected of having been in secret relations with the Soviets.

Valuable Publications Issued by Commercial Bureau

The Bureau of Industrial and Commercial Information of the Ministry of Industry, Commerce and Labor, has reprinted the "Project of Law for the Gradual Introduction of a Gold-Standard Currency System in China, Together with a Report in Support Thereof, submitted by the Commission of Financial Experts to the Ministry of Finance." The Bureau has also reprinted the Chinese version of the Report. The Chinese and English versions may be had in a combined volume, while separate volumes of the Chinese version and the English versions are also available. These are for sale at the principal bookstores and also by the Bureau, which has its offices on the fourth floor of the Customs Building.

The Bureau has also translated the "Supplementary Articles to the Provisional Rules and Regulations Governing Registration of Companies and Corporations," and has published same in the *Chinese Economic Bulletin* July 12.

Accommodation in Shanghai for Russian Guards on British Ships

The Commandant of the Shanghai Volunteer Corps has announced that he is agreeable to furnishing accommodations, with the Russian Detachment, for the Russian guards employed on British ships in Chinese waters during the time that they wait over in Shanghai between ships. These guards are employed to resist attempted piracies and are provided by an arrangement with the Hongkong government. The latter will pay the Shanghai Municipal Council for accommodations supplied.

Ministry Issues Regulations Governing Registration of Foreign Companies

The Ministry of Industry, Commerce and Labor has drawn up the regulations for the registration of foreign firms. It is provided that if the manager is not of Ch nese nationality, the local Consul concerned is to be requested to produce a certificate showing the merchant's nationality. Petitions for registration must bear the name of the company, place of operation, class of business done, capital invested, etc.

Hongkong's Slump Worst in Thirty Years

(From the Review's Correspondent)

WITH the Hongkong silver dollar remaining at an unprecedented low ebb and with the prevailing reports that the Nationalist extremist army, known as the "Ironsides," is planning a second invasion into Kwangtung Province from the West and Fu River districts of Kwangsi, foreign importers and Chinese dealers are experiencing a general trade depression unheard off in Hongkong for the last thirty years. Great uneasiness exists in the local money market on account of the big "run" by Chinese depositors on the Bank of East Asia and the Industrial and Commercial Bank Limited, while for the last three days hundreds of Chinese depositors besieged the National Commercial and Savings Bank. At the time of writing the "run" is still going on although your correspondent learns from the manager of the bank that their directors are influential shareholders and managers of the Sincere, Wing On and the Sun Universal Providers. These latter companies have branches in Shanghai and many leading cities in South and North China.

Bank Failure

It is understood that a sum of over $10,000,000 must have been withdrawn by the thousands of depositors during the big "runs" on these three banks, one of which, the Industrial and Commercial Bank Limited has since announced its inability to continue its business. The topic of the hour in Hongkong is the suspension of the Industrial and Commercial Bank and it is freely stated among the commercial community here that the head office at Hongkong of the bank was in a strong financial position and that the sudden suspension of business was entirely due to heavy speculation by officials and clients of the Bank's branch at Shanghai which had incurred a loss of several million dollars. Two Chinese native banks, The Wing Tai Bank and Wing Tak Bank, have also gone into bankruptcy with total liabilities running into three million dollars. The two banks, it is alleged, speculated heavily on the double eagle during the recent sensational rise in its value and incurred a huge loss.

Crash at Exchange

A big crash occurred at the Chinese Gold and Silver Exchange when hundreds of speculators who had lost heavily on the gold speculation were unable to meet their commitments. Many of these were members of the Exchange. The collapse has resulted in a suspension of the gold quotation given by the Exchange daily and in this connection an official of the Chinese Exchange stated that several million dollars were involved in the commitments and it might be that for several months to come there would be no quotation at the Hongkong Chinese Exchange.

The foreign and Chinese importers of foreign goods, who were doing a hand-to-mouth business since the drop of the silver dollar now report that they are doing nothing at the moment. The low silver value and prospects of further civil strifes in Kwangtung have killed their trade. An official indication that the Government may increase the assessment rates sometime next year has caused a most detrimental effect on the property market, which remains very dull.

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The Glorious Fourth

American residents in both Hongkong and Canton were in merry mood on the 4th of July when they held many receptions to their foreign friends for the celebration of the American Independence Day. The American Consul-Generals were At Home to their friends. The American Club in Hongkong was the scene of the most important function of the year when hundreds of prominent American residents were present together with many Official and Unofficial members of the Hongkong Legislative Council, the Government, the Consular Body, and naval and military officers. Harold Shantz, the American Consul-General, and E. W. Duggan, the Chairman of the American Club, acted as hosts.

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Canton En Fete

A most amiable and friendly feeling between the Chinese officials at Canton and the American citizens prevailed at a reception given at the American Consulate by the American Consul-General, Douglas Jenkins July 4, when the American Consul took the opportunity of thanking the Chinese officials and His Excellency General Chan Ming-shu, the Civil Governor of Canton, who was among other Canton officials present, for the hospitality shown by the Canton Government. Mr. Jenkins mentioned that it was the seventh and last time that he and Mrs. Jenkins would celebrate the American Independence at Canton and concluded by toasting for the prosperity of China and the health and happiness of General Chan Ming-shu.

Before giving the toast of the prosperity of the United States of America and the health of Mr. and Mrs. Jenkins, General Chan Ming-shu remarked that extreme cordiality and friendliness were evident between the Canton Government and the American Consulate during Mr. Jenkins's residence and office in Canton. His Excellency added that fortunately Canton was not far away from Hongkong and he could trust that the most sincere friendship nurtured in Canton would be continued while Mr. Jenkins was in the British Colony. General Chan Ming-shu took the opportunity also of congratulating Mr. Jenkins upon his promotion to Hongkong.

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British Soldiers Sentenced

An incident involving British soldiers similar to a series of stealing cases which happened in Hongkong some time in the latter part of 1929 which were reported from time to time in the *China Weekly Review*, occurred in Laichikok Road, Hongkong, on the evening of June 30, when two privates of the Somerset Light Infantry of the British Regiment in Hongkong, Stanley Warman and Harry Briggs, committed a larceny by snatching a watch from a Chinese watch-maker's shop.

The soldiers entered the Chinese watch-maker's shop of Messrs Fung Leung Kee at about nine o'clock that evening and asked to be shown some of the jewelry, stating that they desired to purchase a watch. This was done by the Chinese keeper and while the soldiers were looking over the watches one of them suddenly snatched a wrist watch and calmly walked out of the shop.

The shop-keeper raised an alarm by blowing police whistles, attracting the attention of the officers at the Shumshuipo Police Station in the vicinity. Privates Stanley Warman and Harry Briggs were arrested by the Police in the street near the watch-maker's shop. The watches were in their possession.

Private Briggs had committed a similar crime in August 1929 and for that offence received a sentence of six months. The two culprits were charged before the Hongkong Magistrate, Whyte Smith, on the morning of July 5, when both pleaded guilty. The Magistrate sentenced Briggs to six months' imprisonment and Warman to two months, adding that they were apparently trying to get out of the Army.

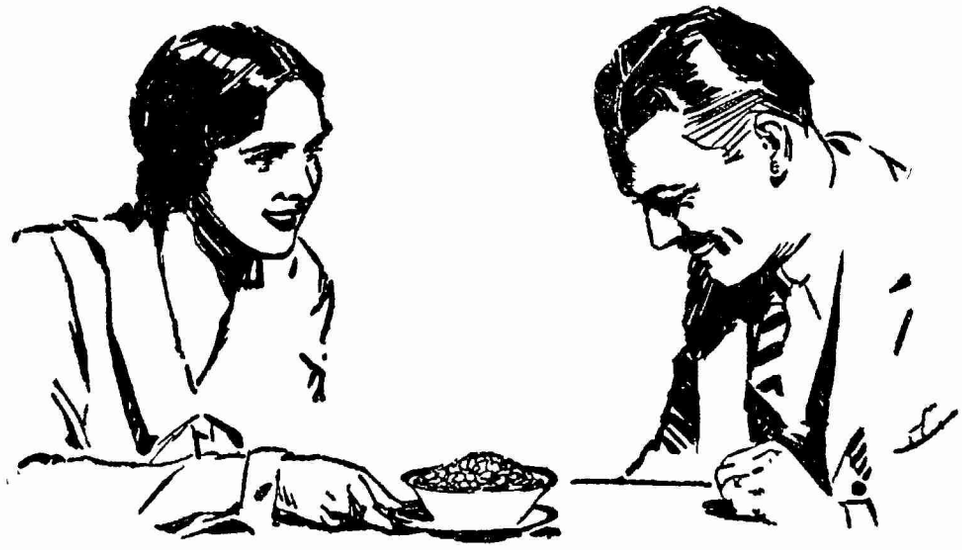
Hongkong, July 7.

China Merchants' Property at Tientsin Seized by Yen Hsi-shan

The Tientsin office of the Chi Yu Company, which is part of the China Merchants' Steam Navigation Company, specially established to take charge of all the real property of the company, will in future, under instructions from General Yen Hsi-shan, be conducted under the supervision of two or three representatives of the Tientsin municipal government. The P. & T. *Times* says this action was taken at the request of one of the shareholders of the company, for fear of the rumors that Nanking would seize the property under the management of the company for mortgage or sale to finance its military plans. The total value of the company's property in Tientsin is estimated at between $400,000 and $500,000.

The Problem of Stabilizing China's Currency

Chang Ti-an, director of the Department of Commerce, of the Ministry of Commerce, Industry and Labor, in a recent interview stated that the National Government plans to take steps in the near future for the stabilization of the nation's currency. Mr. Chang stated he has been working for several months in cooperation with the Ministry of Finance to devise a plan that would suit the needs of the country. The present unhappy financial condition of the country, Mr. Chang declared, is due largely to the fact that there are no gold mines of importance in China and the situation is aggravated by manipulation of the money exchanges by gamblers.



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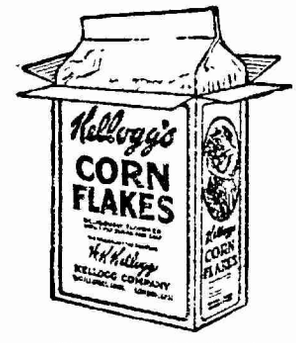

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In the Field of National Reconstruction

Yangtsze Embankment at Nanking

Construction of an embankment along the Yangtsze at Hsiakwan (commercial section of Nanking) has been started by the Capital Reconstruction Commission. It will be built of granite and cement, will be over 20 feet high and will extend for five miles.

Large Public Recreation Ground Is Planned for Kwangtung

Plans for the construction of a large public recreatlon ground are being made by the Kwangtung Provincial Government. The cost of construction is estimated at $150,000 and will be provided by the Provincial Government in monthly instalments of $20,000. The grounds will be given over mostly to the development of athletics in theprovince.

Industrial Development in Nanking

A scheme for developing industries in Nanking has been submitted by the Ministry of Industry, Commerce and Labor to the Executive Yuan for approval. The Ministry has also dispatched and a communication has also been sent to the Overseas Affairs Committee requesting that overseas Chinese be urged to neturn to China to assist in the development of these industries.

Drawing for Loan Redemption

The third semi-annual drawing for the redemption of principal of the 18th Year Troop Disbandment Eight Percent Internal Loan was held on July 10 at the Chinese Bankers' Association. The terminal numbers of the bonds drawn were 21, 47, 51, 68 and 84. Bonds to the value of $2,500,000 will be redeemed. Half-yearly interest amounting to $1,800,000 on all outstanding bonds will also be paid.

Radio Administration Will Register Private Radio Sets

The Radio Administration of the Ministry of Communications has drawn up a set of regulations providing that private owners of radio receivers must be registered with the Administration. No registration fee will be charged. Preparations are far advanced for the construction of a big radio station for the broadcasting of news, speeches and music, the Adminstration announced.

Fifty More Free Schools Will be Opened in Nanking Next Fall

A dispatch from Nanking on July 8 stated that 50 more free schools are to be opened in the capital next fall so as to afford children of the poor as well as uneducated adults the opportunity of elementary education. The work is being carried out under the Bureau of Education of the Nanking Municipality. The Bureau is at present maintaining 54 such schools.

New Railway Project in Northeast

A project for the construction of a railway 55 miles long between Changchun, central Liaoning province and Yintungshan has been submitted to the authorities of the Northeastern provinces. The proposal calls for the building of the line by private interests, the funds to be raised by merchants of the Three Eastern Provinces. The object would be to facilitate communication between northern and southern Manchuria.

Chekiang Plans to Establish Many Free Schools

In accordance with a resolution passed by the second National Educational Conference, the Chekiang Provincial Government has approved a scheme for the establishment of a large number of free schools in various districts. The Provincial Government has decided to appropriate $100,000 immediately to meet initial expenses. According to the plan, the schools will first be opened in districts where illiteracy is greatest.

Corner Stone Laid for New Pearl River Suspension Bridge

The ceremony for the laying of the corner stone for the steel suspension bridge across the Pearl River connecting Canton with Honam Island were held on July 10 before a large gathering of civil officials and representatives of various commercial bodies of Kwangtung province. In his speech of laying the stone, Mayor Lin Yun-kai of Canton said that in view of the importance of the Pearl River to the development of trade in South China, the construction of the bridge was imperative as it would greatly facilitate communication.

Provincial Branch Food Committees are Being Formed

In order to deal adequately with the problem of national food supplies, branch committees of the Central Food Control Committee are to be established immediately in various provinces. These committees will investigate the total food production and consumption and compute the excess or deficiency in each province. These reports will be sent to the Central Food Control Committee so that effective relief measures may be brought into force, The provisional government committees, the provincial departments of Agriculture and Mining and the local Party Headquarters will be made jointly responsible for the organization of the branch committees.

Chinese Chamber Protests Action of Trade Unions

Citing many instances in which merchants of Shanghai have been subjected to personal restraint and indignities at the hands of unions, the Shanghai General Chamber of Commerce last week sent to the State Council a petition asking the Government to issue another mandate declaring the inviolability of the fundamental rights of the people.

The petition urges that in the event of disputes arising between employers and employes, not only the employers but also the employes should be compelled to observe and obey the newly promulgated law for the settlement of disputes between capital and labor. It points out that while employers have accepted the awards of arbitration commissions, the employes have often flouted the decision of the arbitrators, thereby prolonging the disputes indefinitely to the detriment of the merchants and community in general.

Encouragement of Native Industries by the Government

The Ministry of Industry, Commerce and Labor sent out a circular order on July 11 to all Provincial and Municipal Governments instructing local authorities to encourage the consumption of native-matches in preference to imported brands. This was done in accordance with the campaign to promote the manufacture and consumption of native products.

In the same connection the Ministry of Finance, acting on petitions from the Chekiang and Kiangsu Silk Merchants' Gulid, instructed the Silk and Cocoon Tax Collection Bureaux to exempt the autumn crop of cocoons from half the existing rates. The revenue accruing from such taxation will be devoted entirely to improvement of sericulture in the two provinces, the order states.

In a petition to the State Council on July 10, the Shanghai General Chamber of Commerce pointed out that in spite of repeated orders of the Government instructing its employes and party members to use only native products, such orders have never been seriously observed. The petition urges the Government to enforce the instructions that all its employes should wear only native clothing and should take the lead in the consumption of native products.

Three Chinese Match Companies Merge To Fight Foreign Competition

Plans have been completed for the merger of three of the leading match companies of China : the Shih Chong Match Co., Shanghai; the Chung Hwa Co., Shanghai; and the Hong Sung Match Co., Soochow. The company will have a total capital of $3,000,000 and the consolidation is being undertaken with the object of preventing a monopoly of the Chinese match industry by foreign match companies, specially the Swedish match trust.

The move was started by Liu Hong-sung, president of the Hong Sung Match Co. and chairman of the Association of Kiangsu Match Factories. The shares of the capital stock will be apportioned in accordance with the size of the three businesses. The consolidated corporation will be known as the Great China Match Corporation. Provisional offices have been opened at 38 Avenue Edward VII with Mr. Liu as general manager. The firm has registered under the limited corporation law of the Ministry of Industry, Commerce and Labor.

The Shih Chong Match Co. is the largest of the three merging companies with factories at Shanghai, Pootung and Chinkiang and the Chung Hwa is the second largest with two factories.

Construction Started on Military Project in Nanking

Construction work on the $1,000,000 Officers Moral Endeavor Association project at Nanking is now under way. The project will include nine buildings and will offer social and educational facilities for members of the O. M. E., an organization of military men, according to the Shanghai *Evening Post*.

The buildings are being constructed on 100 mow of land. Construction work is now under way on two buildings, one the Central Building and the other the Auditorium. The Central building will be given over to officials of the organization, classrooms, a dining room, recreation rooms and bedrooms for officers stopping over night. It is being constructed of reinforced concrete and is three stories high. The auditorium is one story high, with a balcony, and will have a seating capacity of 1,500.

Following the completion of these buildings work will be started on a hotel building, two dormitories (each two stories high) and a gymnasium. The field surrounding the gymnasium will have an outdoor swimming pool, tennis courts, basketball courts, a football field, etc. Two buildings now under construction are expected to be completed by the end of this year.

Judiciary Reorganization Provides for Sweeping Changes

A revised law providing for sweeping changes in the organization of Chinese Courts so as to insure higher efficiency in the administration of justice and complete independence of the Judiciary from other Government departments has been completed by Dr. Wang Chung-hui, president of the Judicial Yuan, who will submit it to the Legislative Yuan shortly. Some of the salient features of the law are:

1. Except for causes specified in the law no judge shall be dismissed, transferred or degraded. No judge in the discharge of his duties shall be in any way interfered with or influenced. 2. In order to ensure redress of wrongs in all criminal cases, the injured parties shall in no instance be denied the right to prosecute. The procurators shall extend to such private prosecutors all necessary assistance. 3. The proposed law provides for only three grades of courts, namely, the District Court (Court of First Instance), the High Court (Appellate Court) and the Supreme Court (Court of Last Resort), Under the new law, the existing summary division, which is at present merely attached to the District Court, will be abolished.

4. The three-trial system will be adopted by the proposed law as the general rule. In cases of minor importance, however, only one appeal from the decision of the Court of First Instance will be allowed. 5. In order to ensure expedition in the dispensation of justice, branch Supreme Courts will be established in certain of the remote and outlying provinces. The final authority is, however, solely vested in the Supreme Court at the capital. 6.—A Procuratorate—independent of and co-ordinate with (not subordinate to) the District Court—will also be established in every Municipality and hsien to attend to matters relating to the prosecution of criminals. 7.—At the head of every court will be placed a president, who shall be the administrative head of the tribunal but shall have no right to interfere with or control the judges in the exercise of their judicial functions.

Union Oil Co. May Start Operating in China and Japan

Another large American oil company, the Union Oil Company of California, is contemplating making a bid for the increasing oil business of China and Japan. At least they are conducting a detailed survey of these two countries which may lead to their coming into these fields in a big way. Four officials of the company are now making Shanghai their headquarters for conducting the survey of Central China which will be submitted to the board of directors to act on. They are, J. B. Arthur, manager of the fuel oil and asphalt sales department of the company; C. J. McKeever, manager of export sales; A. C. Stewart of the export department, Los Angeles; and L. C. Hampton, engineering director. They are working in conjunction with W. W. Baer, the Far Eastern manager and H.R. Greatwood, China representative.

The four officials arrived in Shanghai about a month ago on the liner *Tatsuta Maru* and went direct to Hongkong from where they conducted an extensive survey of all South China. After a month there they came to Shanghai, arriving here on July 10 on the *President*

(Continued on page 267)

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53-317

A Chinese Reader at Large in Yankeeland

BY ART YUN

Things I Never Knew Till Now

THAT THE phrase, "The pen is mightier than the sword," originated in China fifteen centuries ago.

That the Chinese were the first to provide dance music in restaurants in America.

That the Chinatown exchange in San Francisco has a daily average of eight calls per telephone while the whole city's average is four.

That there is a Chinese cook in New York who for years was chef for President Harding, President Coolidge, and other Washington digninitaries.

That one of the rarest sights in America is to see a drunken Chinese.

China as a Literary Market

China is a two-edged provider for American writers.

First, China leads all non-English-speaking nations as a market for American literature. This fact is just revealed in a Department of Commerce report on American literary exports. However, American writings shipped to China are preponderantly confined to unbound pamphlets on business and the literature of missionary organizations.

Second, China consistently provides foreign writers with color which American editors want. The problem is to mix the right blends of color. That it is done often a visit to an American news-stand shows. The June crop, for instance, brings: Agnes Smedley's essay on "Five Women of Mukden" in *New Republic*, George Soulie de Morant's satire on the Chinese exchange of compliments before going to war in *Living Age* (translated from Nouvelles Literaires), and Lieut. Melvin Talbot's travelogue—"The East Through a Porthole" (*North American Review* in which is reviewed a sailor's life in Chefoo, Russian dancing girls and other such delectable titbits on the China coast. Not to mention journals of a decided Oriental cast or prejudice.

A Form of Criticism

Walter Winchell, the whoopee man among Broadway columnists, reports in his "Broadway and Mine" feature the one about a motorist who asked a pretty woman at a farmhouse for some water for his engine: "My husband will be glad to get it," she affably replied. When the motorist saw a Chinese bring the aqua, he grumbled: "Is that Chinaman your husband?"

"Yes, he is!" was the indignant reply, "and I don't like your tone at all! I'll have you distinctly understand that I am very happy with him, and what's more, over in that house across the road my sister is living with a dramatic critic!"

Free Press in Korea

Oswald Garrison Villard, intrepid editor of *The Nation*, sent a letter to D. S. Chang, editor of *Dong Ah Ilbo*, liberal sheet in Seoul, Korea, congratulating him on the sheet's tenth birthday. It was an impassioned epistle. Villard reiterated his belief in the future of Korean independence, admonished sacrifice, quoted his grandfather's (Wm. Lloyd Garrison) ringing motto:

> I am in earnest, I will not equivocate, I will not excuse, I will not retreat a single inch, and I will be heard.

Proudly did the Korean editor print the letter, but before the ink was dry Japanese authorities confiscated the issue and suspended the paper indefintely. So more power to Villard!

Dr. Arnold Toynbee, in the *Baltimore Sun*, says: "Japanese 'Empire builders' in Korea today might do well to consider the comedy of modern English empire builders in India."

A Swift Glance at American Progress

American crooks do an annual business of over 150 million dollars.—Edward Sullivan in *Liberty*.

Husbands in New York lead miserable lives, They are never able to get hot soup, because their wives are selfish, inconsiderate, and unkind. These poor fellows are in so pitiful a state that they are obliged to eat cold food off the pantry shelf.—Shigetsu in *Japan Advertiser*.

By and large I think the American business man cares less for money than the business man of any other country.—Owen D. Young in New York *Times*.

I have lived in New York on two separate occasions, once for three months, and this time for seven months, but I have never seen a woman in its streets who seemed to be a prostitute nor have I ever been accosted.—St. John Ervine in *Outlook and Independent*.

I often hear it said that Americans do not know how to play. It is now, as I write, two o'clock in the afternoon and I wish you might hear the goings-on and the whoopees next door. I can hear it above the popping corks and rattle of the cocktail shaker.—O. O. McIntyre in *Cosmopolitan*.

In Texas, where mob-lynching of Negroes is the frequent method of adiministering "Justice," the state electrocuted a Negro convicted of murder. This procedure was so unusual that the New York *World* carried the headline, "Negro Killer in Texas is Electrocuted Legally." —From *Cleveland Press*.

Reputation or Publicity

A Chinese professer, unknown outside his campus in China, visits America. Overnight he becomes a world authority on China. An American writer who visits China is hailed as an American titan in the journalistic world. An American woman, who writes poetry as thousands of American women do, visits Shanghai, and she is hailed as a famous American poetess.

The *China Critic*, brilliant hot-shot sheet for the Chinese intelligentsia, deploring the faint reception given to Karl K. Kitchen compared to Mary Pickford and Doug Fairbanks in Shanghai, hailed Kitchen as head of the New York *World* whose editorials were read by millions. Mr. Kitchen, no doubt, laughed when he read that, for he is a professional humorist. Americans know him as a columnist in the class of F.P.A., Neal O'Hara, Frank Sullivan and Ed Cook.

Shanghai papers have, no doubt, received free copies of "Our Trip Around the World" by Mary Pickford and Douglas Fairbanks. As this is a new medium by which the two United Artist stars look to exploiting themselves, the specially written and nicely printed book of 48 pages is sold to newspapers in the U.S. but for all the other parts of the world it is distributed free. The interesting thing, as revealed by *Variety*, the showman's Bible, is that Karl K. Kitchen did the "ghost-writing."

Chinese Yell in American Schools

Do Chinese school-boys have up-to-date Yankee yells? They might reciprocate the courtesy. The Glasgow (Kentucky) *High School* uses this yell to spur its teams to victory:

> Manchu, China. Chuck a luck a China!
> Ri, ti, bim, bum, all a same a gory some!
> Skinnay, skinney Hot-lick!
> Okla, lama, chop-stick!
> Op-tang Ba!
> High school! High School!
> Rah! Rah! Rah!

"Just Yells," the book from which the above is taken, had the audacity to recommend to cheer-leaders the following:

> Chinka, chinka, chink!
> Whata you think?
> Blankville team allee right.
> Blankville team allee right
> Makee Muchee fight!
> Hip-o-lee! Hip-o-lah!
> Blankville, Blankville! Rah! Rah! Rah!

Chinatorial

Scholarship steals China's best minds, lures her keenest brains into non-productive work. If all the money spent in research in China today were used for helping returned students get a start, China would eclipse Japan in fifty years.

Scholarship will never put China on her feet. But business, industry, trade can make her a respected member in the family of nations. If all the scholars, active and potential, were suddenly to feel the itch for dollars and aspired to be millionaires, China might really astound the world with the greatest industrial revolution in history.

What They Say

Rest me with Chinese colors.—Ezra Pound in "*Personae*."

The Bible is the greatest sex story ever written.—Mae West in *New Smart Set*.

The Chinese is fast becoming the shopkeeper of the world, especially the tropical world.—Marc T. Green in *Christian Science Monitor*.

American opinion is subject to the same economic impulsions as that of other capital-exporting nations.—Lewis S. Gannett in *The Nation.*

In the Far East woman is a side-show. That is the big surpise that awaits the woman who marries a man in the Far East.—Alec Waugh in "*Hot Countries.*"

We wonder why Chinamen were ever called yellow. In Shanghai, they are all brown—the only yellow-looking human beings are some of the Caucasians.—H. V. Kaltenborn in "We Look at the World."

Banking Habits in Chinatown

Believe it or not no Chinese will ever start a savings account at a bank with less than $1000. Believe it or not no Chinese will ever claim interest on a commercial account with a balance less than $3000. Believe it or not no Chinese woman will permit a male teller to wait on her.

That is on the authority of E. J. Del Monte, manager of the Chinatown branch of the Bank of Italy in Frisco who is interviewed at large in the popular, practical "*Burroughs Clearing House.*" During Chinese New Year, Mr. Del Monte visits personally as many Chinese homes as possible. He backs up Chinese honesty. When a Chinese come for a loan, he asks but two questions: How long have you been in this country and how long have you been manager of your firm?

The Chinese merchant likes to deal with three or four different banks, according to Mr. Del Monte. He never attempts to investigate the financial standing of a countryman by queries at the latter's bank.

Want Movies to Fool China

Somebody in China sent the editor of the *Christian Century* a bunch of movie ads from the *China Press.* The editor says every ad was accompanied by a picture of a naked American woman in an indecent pose. Not many of such ads are used in the metropolitan press over here, and even if they were they pale besides other photographs printed.

Lately, the church has been kicking up a racket against Will Hays, movie "czar," for permitting the exportation of such films. According to one spokesman at a church convention at St. Paul, American movies misrepresent Americans to foreigners. They "depict us as ease-loving, moneygrabbing, proud, law-breaking and intolerant of other nationalities." All of which is true. The church wants the movies washed, denatured; hence the hue and cry for a Federal Commission to control movie production.

Of course, movies could be made to represent Americans as having only virtues and no faults; but we doubt that such movies would fool many audiences in China.

Was it Made to Order?

The best not-made-to-order publicity a book has ever received over here was the national tong war that broke out not long after "Tong War," the book that "took fifty years to be written," was published. A Hip Sing tong leader furnished his name to Bruce Grant who did the writing. We have not yet seen the book, but a "*Time*" reviewer says that Grant badly needed a rewrite man. No Chinese has ever put his name to a tong story, the rumor having gone out among editors that anyone immature enough to do so would sure have to pay. Chinese in general, without even looking at its contents, say it's all hoey.

Cleveland, Ohio July 1, 1930.

Indian Warders to be Replaced by Chinese and Russians

Some sidelights on the recent trouble with Indian warders at the Amoy Road jail, as a result of which 67 warders were dismissed, are contained in a report made by the Commissioner of Police on the the matter and made public by the Municipal Council last week.—

The Commissioner's report was made to the Chairman of the Council, following the latter's request for information on the incident. As the result of consideration of the trouble and its causes, the Commissioner, replying to the Chairman, recommended the replacement, as opportunity offers, of the remaining Indians employed at the jail by Chinese and Russians. In all about 250 Indians are still employed at the institution.

It was also recommended that the dismissed men be returned to their homes in India at the expense of the Council, providing they leave Shanghai within one month and conduct themselves properly in the meantime.

The CHINESE NATION

THE LEGAL ASPECT OF SIMSPON'S CASE
EDITORIAL

A TRIP TO THE WAR ZONE
IMPESSIONS GAINED ON THE SPOT
By RANDALL GOULD

ART-CRAFTS IN SHANGHAI
THEIR MANUFACTURE AND ECONOMIC POSSIBILITIES
By ROSE LEIBRAND

COLONIZATION IN NORTH MANCHURIA
ITS POTENTIALITIES AND INTERNATIONAL SIGNIFICANCE
By FAN FU-AN

CHINA AND THE FALL OF BASTILLE

RECONSTRUCTION AND TRADE

PUBLIC OPINION DOCUMENTARY DATA

JULY 16, 1930 VOL. I. No. 5.

PRICE 20 CENTS

lc, Kiukiang Road, Shanghai

Men and Events

Mr. and Mrs. G. M. Graves of the U. S. Consular service at Hankow returned to Shanghai this week from a trip to the United States.

A. R. Bartlett, special representative of the Nash Motor Car Co., visited Shanghai last week in the course of a trip of investigation through the Far East.

Thomas R. Scanlon, manager in the Far East for the Sun-Maid Raisin Company of California, is expected to return on July 25 from a business trip to San Francisco.

N. F. Allman has returned to Shanghai from a trip to the United States and Europe. On his return Mr. Allman stopped for a considerable time in Moscow on business.

A Chinese bull-fighter by the name of Hong, who gained his experience in Mexico, has established headquarters at Barcelona, and will contend for prizes in the "plazas de toros."

In view of the rapid increase toward development in the Western District of Shanghai, the Shanghai Power Company has opened a branch at the corner of Carter and BubblingWell Roads in the Denis Apartments.

George Hanson, American Consul at Harbin, who returned to America last winter, is now attached to the State Department in Washington and probably will be there until this fall when he will return to China.

Wm. Van Buskirk, deputy marshal of the U.S.Court for China, has resumed his duties at the Court after more than two months in the hospital suffering from a recurrence of an injury to his feet resulting from a serious fall.

Prof. J. G. Sakamoto of Tung Wen College, Shanghai, accompanied by Mrs. Sakamoto and their two sons, Paul and Henry, have departed for Karatsu on vacation and are planning to return to Shanghai on August 30.

Prof. Kendric N. Marshall, lecturer in history at Lingnan University, Canton, was in Shanghai and Nanking last week on his way to America on leave. Prof. Marshall's home is at 31 Nye Square, Brockton, Mass.

Miss Alma E. Huppert of Bethel Mission, who for the past eight years has been at the head of the music departmen of the Mission, departed for the United States end of last week in order to visit her mother, who is seriously ill.

A *Reuter* dispatch from Berlin on July 14 stated that General Wetzell, who recently retired from the German army, has accepted an advisership with the National Government of China and will succeed Lieut.-Col. Kriebel.

Col. W. H. Nance, Far Eastern Manager of the Radio Corporation of America, accompanied by Mrs. Nance, left Shanghai for Manila on the *President Taft* on July 16 after spending several days here in the interests of his company.

Don Burdick, accompaied by Mrs. Burdick, formerly Miss Helen Byram of New York, arrived in Shanghai this week where they will make their home. Mr. Burdick is connected with the brokerage firm of Swan, Culbertson and Fritz.

The Rev. Luccock will deliver a sermon on "Unadvertised Goodness" at the Community Church on Sunday, July 20, at 11 a. m. The midweek service will be held at the home of Dr. J. C. McCracken on Wednesday, July 23 at 8.15 p.m.

Douglas Jenkins, American Consul-General at Canton, has heen appointed to succeed John J. Muccio at Hongkong and Joseph W. Bollantine of Amherst, Mass. has been named Consul-General at Canton. The transfers will take place about October 1.

R. C. Schroeder, correspondent for the St. Louis *Globe Democrat*, was in Shanghai this week on a trip around the world. Mr. Schroeder plans to spend considerable time in India investigating the Indian revolutionary situation.

The Foreign Medical Practitioners Association announced on July 12 that prices for medical treatment would rise in accordance with the price of living in Shanghai. This applies in the case of private patients to new contracts as from July 1.

Harry O. Hashagen and Miss Helen A. Lowry were married by Judge Purdy at the U. S. Court for China July 12. Mr. Hashagen, who is one of the departmental managers in the local offices of the Standard Oil Company of New York, is retiring in September.

The Sanghai Dock & Engineering Co., Ltd. announces that the net profits for the year ending April 30, 1930, including profit on sale of land and the amount brought forward, are Tls.961,408.66, out of which a dividend of ten percent and a bonus of four percent will be paid.

Japan's foreign trade values for the first half of the current year showed a total of Yen 733,000,000 for exports and yen 233,000,000 for imports. This was a decrease of Yen 234,000,000 for exports and Yen 58,000,000 for imports as compared to the same period last year.

Professor Carson Chang, professor of Chinese philosophy at the University of Jena, delivered a lecture recently on "Idealism in Chinese History," before the German Academical Club in Berlin. Dr. Chang is the elder brother of the former governor of the Bank of China, Chang Chia-au.

The L. E. Gale Co. announced last week that they have been appointed official representatives in the Orient for the Pratt and Whitney Aircraft Corp. of Hartford, Conn., manufacturers of "Wasp" and "Hornet" motors with which 80 percent of the U. S. army and navy planes are equipped.

The residential section of the Majestic Hotel is to be closed and all guests residing there now have been asked to vacate by July 24. The present owners, the Shanghai Land Investment Co. Ltd., have decided to sell the furnishings, but no decision has been reached as to what will be done with the building.

The *Mei Foo Shield*, house organ of the "Socony" Far Eastern staff, in its current issue publishes photos of the "Maryland Free State," Van Lear Black's airplane, on the occasion of it being refueled at Tokyo. Details are also given of the recent annual competition for the Atkinson Cup held on the Pootung Golf Course.

The United Press reports that a sum of G.$41,912.50 was raised in Honolulu in aid of famine sufferers in North China, much of the money having been contributed by Chinese of the Hawaiian islands. The money has in the meantine been forwarded to the Chinese International Famine Relief commission in Peiping.

Dr. C. T. Wang, Minister of Foreign Affairs, gave a dinner in honor of Edwin S. Cunningham, American Consul General, and Dr. H. H. Kung, Minister of Commerce, Industry and Labor, at the local Foreign Office, 1066 Avenue Joffre, Shanghai on the evening of July 11.

Mr. and Mrs. Julean Arnold, Master Julean Arnold, Junior and Miss Francis Arnold arrived in Shanghai from Peiping last week and have taken up their residence for the summer months at the home of L. Everett, 1351 Avenue Joffre. Mr. Arnold, who is Commercial Attache to the American Legation, will in the future make his headquarters at Shanghai.

With reference to a statement made in one of the daily newspapers that the Chapei authorities had cut the water main (in connection with a dispute as to jurisdiction in an alleyway off North Szechuen road) a correspondent points out that the cutting of the main was only done after the Shanghai Water Works had themselves closed the valves, as otherwise the alleyway would have been flooded.

Miss Lucy Wang, president of Hwa-Nan College (Women's College) of Foochow, Fukien province, arrived in Shanghai last week and plans to remain here for some time. Miss Wang was accompanied by Miss Katharine Wills, a member of the faculty of Hwa-Nan College, who is on her way to America on vacation. Miss Wills' home is at 2514 Calvert Street, Baltimore.

The University of the South, Swanee, Tennessee, has conferred the degree of Doctor of Divinity on the Rev. Harvey F. D. Huang in recognition of his splendid work at Hankow. The Rev. Dr. Huang is a graduate of Boone University and was for ten years rector at St. John's church, native city, Hankow. In October 14, 1923, he was called to be rector of St. Paul's Cathedral, Hankow.

Frank P. Lockhart, American Consul General at Hankow, has been instructed by the State Department to lodge a protest with the National government at Nanking in regard to rough treatment of two American missionaries, L. E. Thomas and his wife at Sinyangchow. The incident occurred June 23, and according to the *United Press* was apparently instigated by a member of the local Kuomintang.

The United States Department of Commerce has released through the local Trade Commissioner's office the information that 27 countries of the 53 invited have accepted the invitation of the U.S. Government to attend the Sixth International Road Congress to be held in Washington, D.C. next October. This represents only the first wave of returns received and many more are expected before the end of the summer.

Miss Ella Chang, an employee of the Custom House, Shanghai, brought an action for criminal libel in the District Court last week against Chao Chia-pih, editor of the Chinese *Student Magazine*. An article in said magazine stated that she had become a dancing girl at a certain cabaret. Judge Chen of the District Court ordered Mr. Chao to make an apology by inserting a contradiction in the principal Chinese daily newspapers.

IN THE FIELD OF NATIONAL RECONSTRUCTION

(Continued from page 263)

Madison. They plan to remain here for about a month and will probably make a trip to Hankow and possibly farther up the Yangtsze. From Shanghai they will go to North China and Manchuria and after completing a survey in that territory will finish up in Japan. In all their trip will extend over seven or eight months.

In general their report on South China was favorable, according to Mr. Arthur, who acted as spokesman for the group, and with a similar set of conditions prevailing in this part of China he was of the opinion that they would also send out a favorable report from here. In the event they do and should the directors act on their advice work will start directly in building up a complete sales organization for China and Japan. A complete line of Union Oil products will be marketed, including asphalt, kerosene, gasoline, lubricating oils and greases, fuel oil, diesel oil and road oil. Warehouse facilities, tanks for bulk storage, machinery for canning, etc. will be installed at the chief centers of distribution. Three of these will be in China, probably at Hongkong, Shanghai, and Tientsin and one in Japan, probably at Yokohama.

In time, according to Mr. Arthur, it is expected that the activities of the company will be extended to the Philippine Islands, the Malay Peninsula and South Sea Islands.

The company has been doing considerable business in this part of the world for several years. This has been done mostly through agents.

The Union Oil Company is the largest independent oil company in the world with a capital of G.$125,000,000. With the exception of a considerable export trade which they carry on with a large fleet of oil tankers, activities of the company are confined principally to the West Coast of the United States. The company has vast holdings of oil lands in central and southern California and seven large refineries.

With the entry of the Union Oil Company in the China field there will be three large American oil companies operating here, the other two being the Standard Oil Company of New York and the Texas Oil Company.

Chekiang Reconstruction Conference

The seventh Provincial Reconstruction Conference for Chekiang will be held on July 31. Notifications have been sent to various district magistrates to attend and assist in the formulation of plans for reconstruction work.

Preparations for Naval Base at Weihaiwei

The Ministry of Navy is sending engineers to Weihaiwei to make a preliminary survey of the harbor and prepare for the construction of a naval base there upon the taking over of the administration from the British authorities.

Good Crops in Hunan

A message from Changsha states that an abundant harvest will be reaped in Hunan province this season. The rice and cereal crop promises to be the best in the past five years As a result, the prices of cereals are dropping and lower prices are expected as soon as the crops are ready for market.

Smuggling in South China

The Ministry of Finance has telegraphed the Kwangtung Provincial Government instructions to have the Inspectorate-General of Customs open negotiations with the Hongkong Colonial Government for the establishment of branch Customs offices in Hongkong and Kowloon. In case no definite agreement is reached, the telegram states, the Ministry will take steps to prevent exteneive smuggling from Hongkong.

Executive Yuan Approves Plans for Industries at Nanking

Plans for the early construction of a large number of Government factories including woollen mills, leather tanneries, metal works and chemical factories at Nanking were ordered by the Executive Yuan in a special instruction to the Ministry of Industry, Commerce and Labor and the Ministry of Finance on July 16. The order was issued in accordance with a memorandum from the Chekiang Provincial Government, which also proposes that to promote the manufacture and consumption of native products, tax reduction or exemption from transit dues on all domestic goods as well as the holding of a national native products conference should be carried out by the Central Government.

Long Distance Telephone Service For Northeastern Provinces

Plans for the installation of long-distance telephone service connecting the various important cities and districts in the northeastern Provinces, have been approved by the Northeastern Political Affairs Committee. The system will cover a total distance of about 667 miles and the cost of construction is estimated at $4,000,000. German and American manufacturers are tendering for the contract.

Work for the completion of the unfinished section of Liaoning-Jehol Railway line will be started in September, a sum of $15,000,000 having been provided through the subscription of shares by the Government and commercial interests for the construction.

Three Chinese and Two Americans on Board of Airways Co.

The preparatory meeting for the reorganization of the China National Aviation Corporation was held at the Ministry of Communications in Nanking on July 10 and was attended by representatives of the Ministry of Communications and the Curtiss (American) Airways Company.

It was announced that Wang Peh-chun, Minister of Communications, has been named chairman of the board of directors, which will consist of three Chinese and two Americans. Maxwell Hamilton, head of China Airways, Federal Inc., U.S.A., which has been absorbed by the new concern, has been named as vice-chairman and will head the corporation as director of aviation. Other members of the board are Max Pollin, representative of the Curtiss Airplane Co. in China; Liu Shu-fan Director General of Posts; and Wei I-fu, Vice-Minister of Communications.

According to a special dispatch from Peiping to the Shanghai *Evening* Post on July 10, officials of the Northern Coalition are strongly opposed to the contract signed for the formation of the Chinese-American company. They claim that they are vitally interested in the project and feel insulted because the Americans did not consult them before framing the contract. Vernacular papers in Peiping have been printing editorials attacking the contract, the report states, while the northern leaders are reported to be drafting a letter to be sent to the two American members of the board of the new company.

Kelly and Walsh's Business in Prosperous Condition

Kelly and Walsh, Ltd., printers and booksellers, held their annual meeting July 9, R. W. Wedderburn presiding. The company maintains an establishment at Hongkong, but the mainstay of the business is at Shanghai, where there was an increase in the volume of both the book-selling and printing departments. A new branch started in the Western district also contributed to the year's profits. A final dividend of ten percent, making a total of fifteen per cent for the year, was paid.

Soviets at Vladivostock Lay Heavy Salvage Charge on Chinese Ship

The Soviet authorities at Vladivostock are detaining the steamer *Yuen Tah* owned by the Yoe Ta Steamship Co. of Shanghai, the largest ship flying the Chinese flag, pending the payment of a bill for repairs which is stated to be so exorbitant as to amount to confiscation. This steamer is under charter by the Russian Mercantile Fleet to ply between Vladivostock and Far Eastern ports. In April she struck a rock at an island 13 miles south of Vladivostock and had to ask the Soviet authorities for assistance. Two icebreakers assisted in the salvage. The damages were ascertained to be of such a character that adequate facilities for repairing them are not available at Vladivostock. The Soviet authorities made temporary repairs, but insisted on a deposit of eighty percent of the value of the ship at the time of salvage, which they arbitrarily fixed at Gold Roubles 177,000. The owners of the vessel, under the circumstances, contemplate abandoning the ship entirely.

Who's Who in China

Li Po Kwai, merchant; born at Sun Wui, Kwangtung in 1872; received his education under private tutors; member of the committee on emigration and a director of the Tung Wah Hospital, Hongkong, 1905; vice-chairman of the Chinese Public Dispensaries Committee, Hongkong, 1914; president of the Po Leung Kuk, Hongkong, 1915; a Justice of the Peace, Hongkong; 1916; adviser to the Tung Hwa Hospital, Hongkong, 1918; member of the River Controlling Committee, Hongkong, 1919; chairman of the Chinese General Chamber of Commerce and of the District Watchmen's Committee, Hongkong, 1923; he has participated in a number of relief campaigns and charitable organizations including the flood disasters in China and the Japanese earthquake; he is president of the Confucian Society, Hongkong, and has headed the movement in opening some 30 free schools for the society; he was formerly an adviser in the Ministry of Agriculture and Commerce and was decorated by the Peking Government with the 2nd Class Chiho of the Tashou degree; address: 114 Winglok Street, Hongkong.

Li Po Kwai
李葆葵

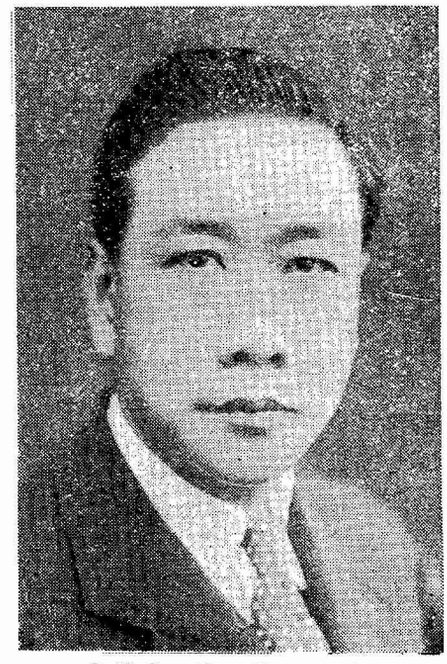
Bintze T. Chang, government official; born at Pinhu, Chekiang in 1887; passed the state examinations in the Manchu Dynasty and received the Shiu-tsa degree; was graduated from Futan University, Shanghai with an A. B. degree in 1909; sub-editor of the Peking *Daily News*, 1909; instructor at Peking National University, 1918-22; since 1921 he has been editor of the *Chinese Economic Journal* and the *Chinese Economic Bulletin*, published by the Bureau of Industrial and Commercial Information; address: Bureau of Industrial and Commercial Information, Ministry of Industry, Commerce and Labor, Shanghai.

Bintze T. Chang
張屏三

Dr. Yu-Ping Y. K. Wong, lawyer; born at Canton, Kwangtung in 1891: received his early education in Shanghai and later studied law at Meiji University, Tokyo, Japan, from which he received his LL. B. degree; from Japan he went to America and studied law at LaSalle University, Chicago and received his LL. B. degree; he then took a post-graduate course at Hamilton College of Law, Chicago and received his D. C. L. degree; after returning to Shanghai he joined the firm of Jernigan and Fessenden (now Fessenden and Holcomb), with whom he was connected for 10 years; following the rendition of the Mixed Court and the drawing up of new rules restricting foreign lawyers from practicing in Chinese courts he established his own law office in Shanghai; member of the Shanghai Bar Association and Soochow Bar Association as well as many other bodes; address: 110 Yu Yuen Road, Shanghai.

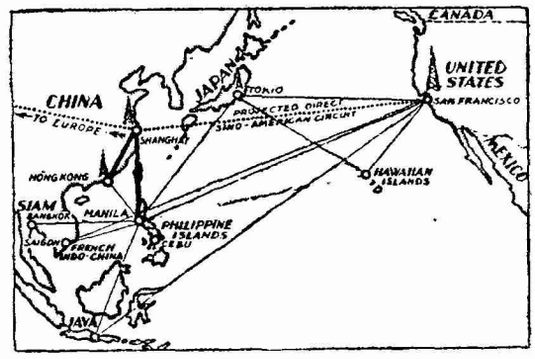
Dr. Yu-Ping Y. K. Wong
黃宇平
Huang Yn-ping

C. K. Sze (Sze Chao-kuei, government official; born at Shaohsing, Chekiang in 1890; attended Shanghai College, Shanghai, 1909-12; was graduated from the law school of Pei Yang University, Tientsin with a LL. B. degree in 1916; went to America and received his M. A. degree from George Washington University, 1919; attache to the Chinese Legation, Washington, D.C. and secretary to the Chinese delegation at the Washington Conference, 1921-22; attorney at law, lecturer in interational law at Communications University, Peking; secretary to the Sino-Russian Conference, 1923; secretary to the special Customs Conference, 1925-26; secretary to the Ministry of Finance, 1926-27; member of the Treaty Revision Commission and secretary to the Customs Administration, Ministry of Finance and the standing committee for the organization of the Control Yuan, Nanking, 1928 to the present; address: Customs Administration, Ministry of Finance, Nanking.



C. K. Sze (Sze Chao-kuei)
施肇夔字德潛

RADIO WAITS TO SERVE CHINA



• • • Projected radio circuits by the National Gov.
—— R. C. A. communications now established.
▬▬ Chinese owned radio circuits now operating.

CHEAP COMMUNICATION IS THE BASIS OF ALL TRADE.

RADIO HAS BROUGHT TO CHINA SUBSTANTIAL REDUCTIONS IN TELEGRAPH RATES TO FOREIGN COUNTRIES AND, AS IT HAS DONE IN MANY OTHER INSTANCES, IT IS RAPIDLY AFFORDING MORE DIRECT AND FASTER COMMUNICATIONS.

RCA COMMUNICATIONS, INC.

(CO-OPERATING WITH THE CHINESE GOVT. RADIO ADMINISTRATION)

Bandits Not So Virulent as During Previous Week

Although not as pronounced as during the preceding week, there were some instances of banditry in various parts of China during the week, principally in the provinces to the south of the Yangtsze River. Of special interest was the tale related by three Spanish priests of Yochow who were rescued by a squad of officers and men from the U. S. S. Luzon. They were Fathers Martinez, Hipolito and Constantino Lobo of the Augustinian mission.

The three priests were trapped when Yochow was attacked on July 3 by a band of 500 Communists. They took shelter under an altar in the church but had to crawl out when the bandits set fire to the church. They took refuge in the home of a Christian Chinese who got word to the American gunboat of the plight of the fathers. On arriving at Yochow a patrol was immediately sent ashore and marched through the streets of the city to the house and took the priests back to the ship from which they were sent to Hankow.

According to a message received here by the Augustinian Procuration from Hankow Father Emilio Fernandez, who was captured when his mission at Nanchow, Hunan was attacked on June 28 is being held at Kwantang, Hupeh. The outlaws are holding him for $50,000 or 100 cases of arms and ammunition.

A *Reuter* dispatch from Washington on July 11 stated that the U. S. State Department had decided to advise the 355 Americans in Honan, Hupeh, Kiangsi and Hunan to remove to less dangerous regions.

On the evening of July 10, stated a Nanking dispatch, a large number of Communist bandits attempted to cross the Yangtsze River at Tuhoti, Hupeh, but suffered heavy casualties as a result os a bombardment by a Chinese gunboat. They were forced to withdraw.

Ching Teh Cheng, Kiangsi, famous for the fine grade of porcelain produced, fell into the hands of bandits on July 8. Assistance was sent out by the magistrate of the city to the Provincial forces.

According to the Wenchow correspondent of the Shanghai *Times*, banditry in that district is on the increase. The gangs are holding practically every mountain pass while for the most part the roads are not safe at any time. Most of the rich people have left their homes to go to the cities. Although that part of the country has the best rice harvest in years, rice buyers do not dare to venture into the districts and the people do not dare to harvest their crop.

Gold Smuggled Out of Shanghai to Japan

A recent *Rengo* dispatch from Tokyo stated that some four million yen of gold specie were imported into Japan from Shanghai during the preceding month. The Japanese claim that Chinese profiteers in Kobe secretly smuggled gold specie out of China, breaking the gold export embargo. A total profit is stated to have been made by the Chinese merchants in this way of some Yen 400,000.

These smuggling operations do not always turn out profitably, however. On Sunday when the *Empress* boat was about to leave, Customs officers noticed some Chinese who had booked passage wearing a special kind of waistcoat. Investigation showed that they were specially fixed up to contain gold bars. Four Chinese in all were caught and the bars they had in their possession were worth over Tls 150,000. They were confiscated by the Customs.

The gold seized by the Customs was later found to belong to the Yung Chong Chang and Wei Dah banks in Shantung road. The local Kuomintang has sent a petition to Nanking asking that the managers of the two banks be punished for violating the gold embargo order.

Russian "Volunteers" to Receive Increased Pay

At a recent meeting of the Staff Committee of the Shanghai Municipal Council, acting on the recommendation of A. C. Clear, increases in pay were authorized for members of the Russian Detachment of the Shanghai Volunteer Corps. The officer commanding was raised to Tls 490 per month as from July 1, and graduated increases covering a period of ten years were also authorized for subordinate officers.

New Books of Interest in the Far East

Educating Socialistic "Warriors" in Soviet Russia

The New Education in the Soviet Republic, by Albert P. Pinkevitch, translated under the auspices of the International Institute, Teachers' College, Columbia University, by Nucia Perlmutter; edited by George S. Counts; The John Day Company, New York, 1929. 408 pages with index.

This book is one that will interest all those engaged in education. Russia is in the midst of a great experiment. We hear of her schools, "the elimination of illiteracy", and various social changes. This book is written to show the basis of the new educational thought and practice. The author takes pains in his preface to state that the whole of his country has not yet evolved any one uniform theory of education, but that his position on fundamental issues may be taken as typical of the great majority of soviet educators.

Dr. Pinkevitch pays tribute to educators of Germany and America and in his text there are frequent references to ideas or ideals taken from these countries. Russia has been trying to work out the best for herself with the addition of some innovations depending upon the Marxian and Leninistic trends of her new government.

The author states as the aim of general instruction "the development of an outlook upon the world. This involves the introduction of the individual to an understanding and evaluation of the entire cultural heritage of the present time. Our socialistic understanding and Marxian evaluation will of course differ fundamentally from those of the bourgeoise. We must educate warriors for socialism who clearly understand the problems of their class and are able to evaluate independently all of the most important expressions of the contemporary culture." Throughout the book one cannot help but notice the prevalence of the term "warrior". The author writes of the "warrior for socialism," "warriors for the revolution", "a warrior or revolutionist", "warriors for a new way of life" "a convinced warrior in behalf ot those who labor", "an active warrior and builder", "a warrior of communism", "warriors for the happiness of those who work". This, it is true, does not attach an essentially militaristic note to his use of the word, but it does give a hint of preparatory work toward a possible struggle in the future.

The book has three sections the topics of which are General Theory and Pre-School Education, School Education, and Vocational and Adult Education.

The aim of the school "should be to make the application of punishmenut nnecessary... While adamant in the demands which he makes on his pupils, the teacher should be even more critical toward himself. If he himself sets an example of indecision and laxity, he cannot expect discipline from his charges... The intrusion into the punishments of the slightest trace of personal feeling is entirely inadmissible." School self-government, in so far as practicabie is recommended and a policy of directed freedom is the author's ideal. He is entirely opposed to "free education" left to the choices and vagaries of pupils. His teachers should be willing, alert, interested and capable of infusing inspiration into their classes.

Fairy tales are taboo to the author. "Both the folk fairy tale and the bourgeois fairy tale are undesirable: the one because it perpetuates superstition and the other because it obscures the class conflict."

After the consideration of the so-called "nurture" of the child, the education of his instincts and inherent traits, we come to a discussion of the content of instruction, and here we find immediate mention of the fact that in the Soviet system there is no place for religious education. "This concept belongs to bourgeois pedagogy and is viewed by us as an evil heritage from the past." Later in the text occurs this statement; "To say that there is no place in our schools for any kind of religious influence is hardly necessary. Clearly the church, which has always been a powerful agency for clouding the social consciousness of the workers, should not be admitted into the school." Still later, a French educator, Paul Robin, is criticized by Dr. Pinkevitch because he says Robin "refused to take the position of active atheism". Robin held that only scientific fact could be taught. There was no more reason in denying God than in acknowledging him. This is not enough for the Soviet pedagogue.

Dr. Pinkevitch discusses at length the various forms of "labor schools" and considers the ideal as combining some method of correlation between work and instruction. The All-Russian Communist Party states that during this present period of the dictatorship of the proletariat the school "must be not only a conductor of the principles of communism in general, but also a conductor of an organized educational influence of the proletariat on the semi-proletarian and proletarian strata of the laboring masses. The basic purpose of this influence is to train up a generation capable ultimately of establishing communism." As a fulfillment of this ideal Dr. Pinkevitch says that the complete realization of the principles of the unified labor school requires the establishment of a school "which is secular, i. e., free from any kind of religious teaching; which is co-educational; which conducts its teaching in the native tongue of the pupils; which emphasizes the ultimate relation between education and socially productive labor; and which thus prepares well-rounded members of the communistic society".

On the subject of method the author states that the Soviet teaching is characterized first of all "by the most intimate relation with problems of practical life. Under our conditions this means the establishemnt of the closest possible association with the task of building a socialistic state and participating in socially useful work. To defend this position, since it rests on a general educational rather than on a specifically didactic principle is hardly necessary. While bringing this principle into the foreground, we must at the same time adjust our teaching to the peculiarities of the development of the pupil at each given age." As to whether the political or the pedological demands should be followed the author thinks that under a proper organization of the teaching process there will be no room for any conflict between these elements.

In the matter of curricula for the Soviet schools they would seem to compare very favorably with those of other lands having advanced educational ideals. The special thing to be noted regarding the Soviet education is that the study of Labor is a part of of the regular course from the primary department on up through the entire educational system. The table given for "The Minimum of Labor Knowledge and Abilities for Those who Graduate from the Primary School" is exceedingly interesting.

Aesthetic Education and Sex Instruction are both treated by the author. Both are stated to be very necessary. Sex knowledge, in the opinion of Dr. Pinkevitch, is best undertaken by the method of indirection. "Sex enlightenment should be provided through the medium of the regular subjects of the curriculum. If questions of sex are not singled out for separate and special emphasis, attention of children and adolescents will not be fixed upon them."

Adult Education forms the subject of two interesting chapters in which it is discussed under the vocational and political aspects. Teaching plans as followed in some of the factories are given and these chapters are most suggestive. A few sentences show the trend of the author's mind: "Among the city workers emphasis should be placed on questions of industrial production, among the peasants on agricultural information, and among the soldiers of the Red Army on military science and on both factory and rural economy. A tactful and effective program of anti-religious propaganda should also occupy a proniment place in the work of this institution."

The last chapter of the book takes up the training of educational workers under the Soviet. "At present we have in the Russian Republic alone about twenty higher pedagogical schools, a wide network of courses designed to raise the qualification of students, six higher pedagogical courses—a type of institution practically unkown in old Russia—and systematic provision in the upper grades of the secondary school for the preparation of those who intend to devote themselves to educational work."

In the light of recent decisions of the Kuomintang government in China regarding its educational program one might think that this book by Dr. Pinkevitch had been studied by the Chinese. At least, some of his ideas are apparently embodied in decisions hitherto new to China's educational system. Dr. Pinkevitch, in opposition to some moderns, does not think "an existing society can be changed through the schools." He thinks the schools "reflect the contemporary life of the community.... This flowing into the school of the contemporary life requires an organized participation of the proletariat in the work of the school. *Only under party control will this connection attain the desired and necessary results.*"

G. B. S.

June 27, 1930.

North Manchurian Minerals

Mineral Resources of North Manchuria. By Dr. E. E. Ahnert. No 7 of the Memoirs of the Geological Survey of China, 1929. Peiping.

Of timely interest is "Mineral Resources of North Manchuria" a comprehensive report by Dr. E. E. Ahnert, a Russian geologist of note, formerly Director of the Geological Committee of the Russian Far East, and presently Honorary Correspondent of the Geological Survey of China. Not aiming at giving the reader a full description of useful minerals to be met with in North Manchuria, Dr. Ahnert furnishes very important information on all the known mineral deposits. He gives, for instance, a most detailed list and appraisement of coal, iron ore, and other known deposits, minutely describing their locations and the source of information supplied. The compilation and publication of such a list alone authenticated by such authority as Dr. Ahnert, whose name is connected with Manchuria since the nineties, deserves much credit both to the author and the Geological Survey of China.

The book is profusely supplied with excellently executed maps showing geographical features of deposits, and even a cursory perusal of it makes one regret that no similarly valuable works are yet available on other provinces of China. Besides nine maps, the book is appendiced by 41 plates of various mining regions of North Manchuria, and some of the plates are veritable rarities.

B. T.

New Zealand

New Zealand in the Making. A Survey of Economic and Social Development. By J. B. Condliffe, D. Sc. London: George Allen and Unwin. 1930.

New Zealand by its name preserves the memory of its discovery by the Dutch navigator Tasman in 1642. Captain Cook visited the islands a century and a half later. Not until 1840 did any serious colonization begin, after Edward Gibbon Wakefield had called the attention of the English to its possibilities. Today the islands have a population of a million and a half, ninety-nine per cent of which is almost purely British; while of the native Maoris there are but 65 thousand.

What promise for the future has this dominion of the British Commonwealth of Nations? Into this question in its economic, social, political and cultural aspects Professor Condliffe, who is himself a New Zealander and also a trained economist, seeks to inquire. The book is full of information and leaves the reader the impression that he has been given many sound judgments.

One of the great difficulties for New Zealand has always been its "enormous distance from anywhere." Climate and resources are most favorable, but the markets are far away. This economic difficulty has had its effects upon the social and cultural life. Cut off from the more constant contacts of the northern hemisphere the New Zealanders are inclined to be behind the times. In education, says the author, they are holding to "ideals which have long since been discarded in other countries." Citizenship, too, suffers from "this lack of experiment, of freshness, of variety of approach, of creative thought." The result is in many respects a "satisfied conservatism and even mediocrity." This suggests reflection upon the relative merits of inbreeding and crossbreeding. Keeping the Anglo-Saxon strain pure has its defects as well as its merits.

But, perhaps says the reader whose information on New Zealand dates from two or three decades ago, was not New Zealand a pioneer in social, economic and legal experiment? Was she not a leader in woman suffrage, compulsory arbitration of industrial disputes, old age pensions, maternity homes, hospitals, medical services regulated for the public benefit? These things can be said to New Zealand's credit. She still boasts "the lowest death-rate of any country in the world." Her standard of living is high. This book of Professor Condliffe's give's a full account of all these various aspects of the economic and social life of the land one of whose inhabitants Macaulay's imagination pictured sitting some day in the far future upon the ruins of London Bridge.

D. R.

Recent Pamphlets Received

The National Committee of the Y. M. C. A.'s of China has issued a brochure briefly reviewing its work. The "Y," as the brochure explains, is not only an organization, but also a spirit, and, although it has been going through a

"The Seaboard Route to the North"

Travel on The

Peiping-Liaoning Line

Starting at Peiping, the ex-capital of China, called the most interesting city in Asia, with its intricate systems of walls, its Imperial palaces and its beautiful temples and tombs, the Peiping-Liaoning Line goes down to Tientsin, the great port of Chihli, and from there swings in a wide circle on its pathway to the north. From Lanchow to Chiuchow the railway follows the line of the Gulf of Chihli, passing through Shanhaikwan, where the Great Wall ends at the sea, and thence on to Mukden, the ancestral home of the Manchus, a city which vies with Peiping in its splendor of palaces and temples and ancient shrines.

Through tickets are issued and passengers' baggage registered through between the important stations on the Peiping-Liaoning Railway and the South Manchuria, Chosen (Korean) and Imperial Japanese Government Railways. At Peiping connections can be made with the Peiping-Hankow Railway and with the Peiping-Suiyuan Railway, and at Tientsin connections can be made with the Tientsin-Pukow Railway, for Tsinanfu, Nanking and Shanghai.

For information as to rates, schedules, accommodations, etc. apply to any Tourist Bureau, or communicate directly with the Traffic Manager

Peiping-Liaoning Railway

Head Office

TIENTSIN

An Advertisement of the Chinese Government Railways

No. 2

difficult period in China in recent years, its worth in this country has been a great success—with every prospect of much greater usefulness to the people of China in the years to come.

The current issue of the *Visva-Bharati* Quarterly, which is a magazine founded by Rabindranath Tagore and published at Calcutta, contains as its principal article a contribution by Julius Germanus entitled "Modern Movements in Islam". Other contributors are Wahed Hosain, K. Savitri and I. J. S. Taraporewala.

A book dealing with Indo-Japanese trade compiled by the Trading Bureau of the Japan Foreign Office has been published by the Shoseido Bookstore, Tokyo. The book gives details of commercial, industrial and agricultural conditions in India, and reviews Indo-Japanese trade generally.

Little Change Reported in Customs Dispute in North

Very little change was reported in the Customs dispute in North China which was occassioned by the taking over of Customs offices by Gen. Yen Hsi-shan on June 21. One instance of a shipping firm having to pay double duty was reported from Newchwang. The vessel belonged to the N. Y. K. line. According to the *Manchurian Daily News* of July 9, the ship Awaji Maru put in at Newchwang on July 3 from Tientsin. The Customs there demanded Tls. 298 export duty which had already been paid at Tientsin. The shipping company refused and the boat was held up until July 7 when the company chose to pay the money demanded and launch a protest with the Customs through the Japanese Consulate.

In an interview appearing in the *North China Star* on July 7, Lenox Simpson, commissioner of Customs at Tientsin stated that shipping companies on the West Coast of America were alarmed by a report that all cargo for Taku Bar must be entered at Shanghai before going to Tientsin. He branded this as propaganda put out by Nanking and said that he had telegraphed to chambers of commerce on the West Coast and in Liverpool, England stating that ships could go direct to Taku Bar.

According to the *Kuo Wen* news agency dispatch from Peiping on July 7, negotiations are under way at Tientsin between the Shansi authorities and representatives of the Customs employes who were suspended when the Customs were taken over by the Shansi clique for the reinstatement of these men. Representatives of Gen. Chang Hsueh-liang are acting as mediators. A compromise plan is said to have been practically agreed opon.

In this connection, the *North China Star* printed an interview with Lenox Simpson in which he said that such a report was absolutely groundless and not only misleading but served to distress the old staff. He declared that the old staff had been left in Tientsin borne up with false hopes, although there was no reason for them to expect any change.

Ko Tzo-yi, of the surtax office, was appointed deputy commissioner at Tientsin while Pan Lien-yu, of Gen. Yen's headquarters was named deputy commissioner for special affairs. Several more foreigners from Shanghai arrived in Tientsin during the week to take up positions in the Customs there.

Child Welfare Association Accomplishes Much Useful Work

Details of the work of the National Child Welfare Association of China are given by a correspondent in a recent issue of the *Shanghai Times*. The Association has extended its work in many directions. Children in famine areas are being cared for and much has been done to combat child slavery. A Child Welfare Receiving Home has been started and a survey is being made of all orphanages and asylums in the country. Health work is being instituted on a large scale and mothers are being instructed in the proper care of their children. A model child welfare home at Nanking and a juvenile court in Shanghai are some of the projects which are being worked on. The work of the Association is receiving the full support of Dr. H. H. Kung, Minister of Industry, Commerce and Labor.

A reception in honor of Miss C. Crichton Imrie, of New Zealand, was given by the National Child Welfare Association in the Chung Shan Hall of the National Committee, Y. M. C. A., 20 Museum Road, July 15. Dr. R. Y. Lo introdnced the speaker, who gave an interesting account of chiud welfare work in New Zealand. Dr. H. H. Kung, president of the Association, was among those present.

From the Chinese Press

News items pertaining to Chinese politics and general affairs appearing under this heading, are taken chiefly from the daily reports of the Kuo Wen (independent) Kuo Min (Nanking official) and from translations of articles and dispatches appearing in the local Chinese press.

Thrsday, July 10—The Central Executive Committee telegraphs Chiang Kai-ehek commending him on the anniversary of the launching of the Norther Punitive Expedition.—The collective resignation of the Shantung Provincial Government Committee submitted to the State Council.—According to the latest census report, Hankow has a population of 550,169 of whom 348,866 are males.—According to a *Kuo Nin* news agency report from Mukden, Chang Hsueh-liang will shortly dispatch four divisions of Manchurian troops within the Great Wall.

Friday, July 11.—A Hsuchow dispatch states that the Northern forces have sustained heavy reverses along the Lung-Hai Railway.—A report from Moscow states that some progress is being made in the Sino-Soviet conferencs.—Gen. Ho Chien charged with the reorganization and strengthening of military corps in Hunan to remove the bandit menace in the province.—Reports state that unscrupulous merchants in Hankow and Shanghai are mixing mineral powder with rice to increase the weight.

Saturday, July 12.—The Executive Yuan orders the ministries of Finance, Interior, Agriculture and Mining and Industry, Commerce and Labor to adopt measures to curb the rise in rice prices.—The Ministry of Foreign Affairs decides to appoint a Consul for Nicaragua.—The Ministry of Communications prepares a set of regulations providing for the registration of all private radio sets—no registration fee being charged.

Sunday, July 13—The second test of the new Berlin-Nanking radio telephoto service carried out.—The Central Executive Committee announces that a nation-wide investigation of social, economic, industrial and cultural conditions will be started shortly.—The Chekiang Provincial Government approves plrns for opening a large number of free schools.—A Hsuchow dispatch states that the National forces are advancing rapidly toward Tsinan.

Monday, July 14—The Ministry of Communications issues regulations regarding the use of secret codes in telegraphic messages from commercial firms.—It is announced that branch committees of the Central Food Control Conmittee will be established in various provinces immediately.—A report from Nanking states that Communists are plotting to stir up railway and shipping company employes in the larger cities on July 16 and that rigid precautions are to be taken.

Tuesday, July 15—Severe fifhting is reported between the lst Army Corps and the Shansi troaps on the front at Hsuchow.—Gen. Ho Ying-ching, Ministr of War, is ordered to Liuho by Gen. Chiang Kai-shek.—The provincial authorities of Hunan have decided to take a census of the province.—The Ministry of Foreign Affairs is ordered to launch a protest with foreign governments in the South Seas against the toleration of Chinese opium traffickers.

Wednesday, July 16—A dispatch from Nanking states that the registration of all religious organizations in China will be enforced at an early date.—Military headquarters at Hsuchow report a Government victory over the Kuominchun forces on the Lung-Hai front.—The Ministry of Communications announce that a readjustment of postal administration districts throughout the country will be made shortly.

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Li Shao-gen Discusses C. E. R. Situation

The following message was received from Harbin, Manchuria, on July 15:—

Harbin, July 15—The *Kung Pao*, official paper here, today published an interview with Li Shao-gen of the Board of Directors of the Chinese Eastern Railway, who has just returned to Harbin from Mukden where he participated in the memorial ceremonies on the anniversary of the death of the late Marshal Chang Tso-ling. Marshal Chang Hsueh-liang and the Political Committee of the Three Eastern Provinces, were hosts at several functions in honor of the officials of the C. E. R. Marshal Chang called particular attention to the need of strengthening the economic regime on the C. E. R. in view of the present financial and economic crisis generally, which is making itself felt in Manchuria and is largely responsible for the present economic depression in this section of Chinese territory.

According to Li Shao-gen, the preliminary negotiations in Moscow between Mo Teh-hui and Mr. Karakhan, the Soviet delegate, are progressing favorably, Mr. Mo having almost daily conversations with the Soviet officials and sending regular reports back to Harbin as well as Mukden and Nanking. Mr. Li stated that the delay in opening the formal conference has been due to a difference in the points of view of the Chinese and Soviet delegates. Due to daily conversations, certain adjustments had been made by both sides and it was hoped that the formal conference would not require much time after it actually opens. In other words, it was hoped that the formal conference when it convenes, will only have the duty of ratifying matters which have been agreed upon in the preliminary conversations.

In reference to the activities of the Board of Directors since the departure of Mo Teh-hui and two other members of the Board who are in Moscow, Mr. Li stated that all important questions had been adjusted before the departure of the Chinese Delegation, hence current questions are being settled by himself, serving as Acting Director, and Mr. Emshanoff, the Soviet Vice-Director.

Mr. Li Shao-gen also referred in the interview to a number of economic questions affecting the affairs of the C. E. R. regarding which there has been considerable apprehension in Chinese circles in Harbin. One of these matters was the problem of reopening the important Chalainor coal mines which were put out of business and flooded by the destruction of the machinery at the time of the Soviet invasion of Chinese territory and occupation of Manchouli and Chalainor by Red troops. Mr. Li claimed that the work of the Chalainor mines will be continued, but expressed the opinion that there was not much coal left in the pits, which are now submerged.

In regard to the matter of the closing of a number of mills which had been operated by the C. E. R., Mr. Li stated that another special commission had been appointed in order to ascertain the degree of profitability of such and such enterprises. Mr. Li was of opinion that certain economic and industrial enterprises which have no direct connection with the railway and which are found to be losing ventures, will be discontinued. He stated, however, that the liquidation of these enterprises will receive careful attention and only will be done in case of absolute necessity in order to save money.

Radio Telephone Service to Orient to be Started Soon

According to a *United Press* dispatch from New York, Walter S. Gifford, president of the American Telephone and Telegraph Company confirmed reports of the extension of radio telephone service to Australia, Hawaii, the Philippines and the Orient generally from a station at present under construction at San Francisco. He was unable, however, to predict the date on which the service would actually start.

The general scheme is similar to that of the radio telephony which at present links the United States with large European centers. In recent tests, conversations have taken place between points in the United States and Australia, demonstrating the feasibility of the undertaking.

Japan Plans to Extend Autonomy in Korea

A *Rengo* dispatch from Seoul states that a concrete program for the extension of autonomy in Korea, which was recognized by the Cabinet last spring, is to be submitted to the Ministry of Overseas Affairs in Tokyo in the near future. The bill consists of 150 articles regulating the Administrative systems in prefectures, villages and other country districts as will as the administration of school associations and other public organizations.

Pacific Travel Association to Hold Meeting in San Francisco August 12

The first meeting of the newly formed Pacific Travel Association is to be held at San Francisco, August 12. The Association has been inaugurated for the purpose "boosting" trans-Pacific travel. All the trans-Pacific steamship lines and trans-Continental railways are sending delegates. The Japanese are taking a special interest in the new Association and the International Tourist Bureau of Japan is cooperating with it.

Shanghai Power Co. Opens Showroom in Western District

The Shanghai Power Company opened up commodious new show rooms on the ground floor, Bubbling Well side of the Denis Apartment Building at the corner of Bubbling Well and Carter Roads, beginning of the week. All the most modern electrical appliances are on display and the Power Company announces that it will make demonstrations on request. The new show rooms are greatly appreciated by residents in the Western District and they are being well patronized.

Mexico Orders Investigation of Chinese Residents

A *United Press* report from Mexico City on July 13 stated that the Mexican Department of Interior has instructed its agents, specially those along the northern frontier, to investigaie the legality of admission of all Chinese residents. This course is being adopted, the report states, in view of the demands for deportation of thousands against whom the newspapers are unitedly campaigning as constituting a "yellow peril" and alleging that they entered the country illegally.

New Regulations to Govern Collection of Salt Revenue

The *Central News Agency*, the official news agency of the National Government, states that measures will shortly be adopted by the Government for the reorganization of the country's Salt Administration. A committee has been appointed by the Legislative Yuan to draft the new Salt Regulations. Chen Chao-ying, a member of the committee and a prominent leader of the Government, declares that the new Salt Regulations would include the following provisions:—

1. No monopolies of transportation would be granted to favored individuals;
2. The principle of uniform taxation at the source would be adopted;
3. Salt inspection bureaux would be established;
4. Salt products to be used for the development of agriculture and industries would be exempted from duty.

The annual salt revenue in recent years has registered a decrease of nearly $20,000,000 as compared with the net revenue realised in 1922 due mainly to the numerous illegal surtaxes collected by the various local authorities. Mr. Chen declared that the only way to bring about an increase in the Government's salt revenue is to lower the present salt taxes. If the salt tax is fixed at $3 per picul, the net salt revenue each year would be about $180,000,000, he said. The present rates of salt taxation vary all over the country, from $3 to $4 per picul (including likin) to as high as $12 to 13.

Rice Alleged to be Adulterated by Unscrupulous Merchants

According to recent dispatches from Nanking, unscrupulous merchants in different cities, especially in Shanghai and Hankow, have been mixing a white mineral powder with the rice offered for sale, in order to increase the weight. In view of this situation an order has been issued by the Executive Yuan to the Provincial Governments prohibiting such evil practices. It is also recommended that rice offered for sale should be subject from time to time to chemical analysis.

British Also Interested in Independent Supply of Wood Oil

Reuter states that the experimental cultivation in many parts of the British Empire, including Malaya, India, Africa and the West Indies, of the tree from which (wood) tung oil, is obtained, is the subject of a Memorandum by the Imperial Institute, issued by the Empire Marketing Board. The Memorandum says that it is too early to state the result of the trials, but the preliminary reports from some of these countries, especially North-East India, are distinctly encouraging.

Nanking vis-a-vis Yenching University

An order instructing the Bureau of Education at Peiping to investigate the curriculum of Yenching University was issued recently by the Ministry of Education at Nanking. The Ministry claims that the University is still teaching religious subjects in violation of the laws of the Nanking Government.

Officials outside the Ministry offices are inclined to believe that the order will not be carried out in view of the fact that the university is now under the protection of the Northern Coalition.

Woman Diplomatist in Lhasa as Nanking Government Agent

A paragraph in a recent issue of a London paper says that a "woman diplomatist", with a medical degree, recently arrived in Lhasa, as an agent of the Nanking Government. She is of mixed Chinese-Tibetan birth, was educated in a Christian mission on the Sino-Tibetan frontier. She speaks English, Tibetan, and Chinese and has won the sympathies of many of the high officials in Lhasa, who have never had dealings with a woman diplomatist before. She is also practising her profession of medicine.

Britain to Open Branch Legation in Nanking

Arthur Henderson, British Foreign Secretary, announced in the House of Commons July 15, that steps had been taken to lease premises in Nanking to establish a branch Legation there.

He prefaced this announcerment by stating that there were serious physical and other difficulties in the way of removing the British Legation as a whole from Peiping.

Mr. Henderson added that the question of whether further arrangements could be made to improve the contact between the British representative and the Nanking Government was being considered.

Britain's Interest in the Tientsin Customs Situation

In the course of his reply to a question upon the situation in China in the House of Commons July 16 the Foreign Secretary, Arthur Henderson, said that efforts to reach a compromise in regard to the Customs at Tientsin appeared to have failed. Mr. Henderson expressed the hope, however, that the situation would permit of detailed proposals in regard to extraterritoriality being communicated to the Chinese Government before long. Asked whether all the countries concerned were prepared to participate in the extra-territoriality negotiations the Foreign Secretary said he could not say that all were ready to do so.

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Exchange Circular for week ending Wednesday, 16th July, 1930

A quiet week has passed, with only a moderate business transacted by merchants. There is no particular feature to record, unless it is a slight lowering of the Japanese Cross rate, which has been steady for many months. Business during the summer months is usually very slack.

Silver —opened on the 10th inst. at 15 1/16d for spot and 15 3/8d. forward, and moving between narrow limits closes today at 15 1/16d and 15 1/8d. respectively.

Exchange:—The official rate on the 10th inst. for T/T on London was 1/5 7/8d., raised to 1/6d. on the 11th inst., on the 14th lowered to 1/5 7/8d., has ruled slightly above the rates obtainable last week: thus, opening on the 10th inst. at 1/6 1/16d. and G. $365/8 for Tel. Transfer on London and New York, 4 m/s credit 1/6 3/16d. and G. $37 3/8. Yen cross rate 39 7/8, Yen 134 1/2, Gold Bar 598/599. Next day a steadier tone prevailed, and it was possible at times to secure 1/6 3/16d and G. $36 7/8 for T/T, the Gold Bar varying between 589 and 594, other rates in proportion. On Saturday the market opened as above, but at the close was easier, the best obtainable 1/6 1/16d. and G. $36 7/8, the Gold Bar rising on persistent buying from 590.20 to 601.70. On the 14th inst. a very quiet day there was no change, and on the 15th inst. the same applies, though 1/6 3/16d. was obtainable.

This morning opened with a slightly easier tone, but subsequently there was practically no change and at the close we quote as follows:—T/T on London 1/9 3/8d., T/T on New York 36 3/4, 4 m/s Credits 1/6 1/16d. and G. $37 3/4, Yen 134 1/4, Gold Bar 601.30.

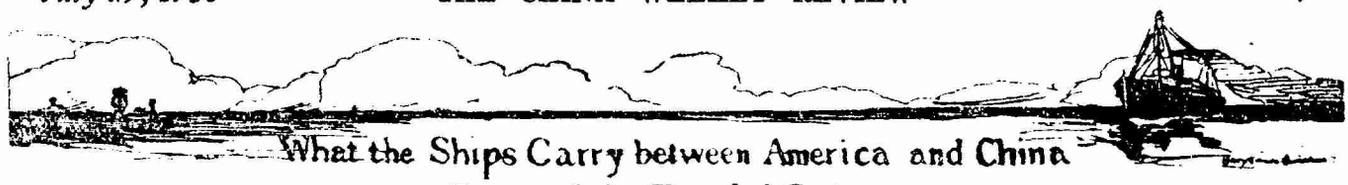
Our stocks of silver are reported as follows:—

Sycee and Bar Silver.....Tls. 109,239,000 an increase of Tls 560,000
Chinese and Mexican Dollars ..... $ 154,180,000 a decrease of $ 2,850,000
Estimated value Tls. 210,248,000 as against Tls. 180,697,000 held at this time last year.

	Average rates for June	Thursday July 10	Friday July 11	Saturday July 12	Monday July 14	Tuesday July 15	Weed. July 16
Bank's selling rates		*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*
T/T on London	1/5 951	1/5 7/8	1/6	1/6	1/5 7/8	1/5 7/8	1/5 7/8
D/Dfts ,,	—	1/5 7/8	1/6	1/6	1/5 7/8	1/5 7/8	1/5 7/8
4 m/s ,,	—	1/6 1/16	1/6 3/16	1/6 3/16	1/6 1/16	1/6 1/16	1/6 1/16
T/T India	100,587	100	100 1/4	100 1/4	100 1/4	100 1/4	100 1/4
T/T France	925,565	920	927	927	920	920	920
T/T On N.Y.	37,141	36 1/4	36 1/2	36 1/2	36 1/4	36 1/4	36 1/4
Demand		36 1/4	36 1/2	36 1/2	36 1/4	36 1/4	36 1/4
T/T Hamburg R. M.		152	154	154	151 1/2	151 1/2	151 1/2
T/T H'kong	84.326	85 1/4 nom.	85 nom.	85 nom.	85 nom.	85 nom	85 nom.
T/T Japan	136 679	136 1/2	135 1/2	135 1/2	136 1/4	136 1/4	136 1/4
T/T Batavia	90.674	90	90 1/2	90 1/2	90	90	90
T/T Straits	155 087	155 1/2	154 1/2	154 1/2	155 1/2	155 1/2	155 1/2
Bk's buying rates							
4 m/s B/L. Cred. D/A	1/6.962	1/6 7/8	1/7	1/7	1/6 7/8	1/0 7/8	1/6 7/8
4 m/s ,, D/P	—	1/7	1/7 1/8	1/7 1/8	1/7	1/7	1/7
6 m/s ,, B/L Cred D/A	1/7.212	1/7 1/8	1/7 1/4	1/7 1/4	1/7 1/8	1/7 1/8	1/7 1/8
4 m/s B/F Cred D/A or D/P	987.609	980	985	985	980	980	980
4 m/s N.Y.Lc.	38.098	38 1/4	38 1/2	38 1/2	38	38	38
4 m/s ,, Doc.	—	38 3/4	39	39	38 1/2	38 1/2	38 1/2

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling.	June 10	June 11	June 12	June 14	July 15	July 16
Bullion.						
*London Price of Bar Silver per oz. (English Standard 925 touch) Pence	15 13/16	16 1/16	16 1/8	15 15/16	16	15 15/16
**New York Price of Bar Silver per oz. (Pure)	G.$.34 1/8	G.$ 34 1/2	G.$ 34 1/4	G.$.34 3/8	G.$.34 1/4	G.$.34 1/4
Shanghai Price of Gold Bars (weight Tls. 10 (Chauping) 978 touch)	Tls. 593.80	Tls. 592.40	Tls. 601.70	Tls. 595.00	Tls. 597.80	Tls. 600.00
Shanghai Silver Bars (weight Tls. 100 (Canton) 999 touch)	111.60	111.80	111.00	111.00	111.00	111.00
Shanghai Mexican Dollars per $100	72 3625	72.525	72.5875	72 6875	72. 90	72. 075
Native Bank Rate of Interest (Call money)	1%	1%	1%	1 1/2%	1%	2%
*Closing Price in London for Previous day						
**Closing Price in New York for Previous day ...						

Bank of England rate of discount	3%	London on Paris	T/T 123.62
Bank of France rate of discount	2 1/2%	New York on London	T/T 486 17/32
London open Market of Dis. 3 m/s	2 7/16%	Bombay on London	T/T 1/5 31/32
,, 4 ,,	2 1/2%	Hongkong on London	T/T 1/3 1/8
,, 6 ,,	2 11/16%	Kobe on London	T/T 2/0 13/32



What the Ships Carry between America and China

Return of the Shanghai Customs

Pls.—1 Picul or 133 1/3 pounds; Bls.—Bales; Pcs. Pieces; Mille—thousands; Hk. Tls.—Haikwan Tls.

STEEL RANGER, May 17.

(Agents: U.S. Steel Products Co.)
From U. S. of America.

Cotton, Raw	Bls. 4,810	Pls. 17,479
Steel Bamboo	,,	585
Paints	,,	270
Steel Beds	Pcs.	8

PRESIDENT JACKSON, May 22.

(Agents: Robert Dollar Co.)
To U. S. of America.

Silk, Raw, Steam Filature:		
White, Soochow	Bls. 10	Pls 10.08
White, S'hai	Bls. 300	,, 298.30
Yellow, T'tao	Bls. 25	,, 24.82
Silk, Raw, Re-reeled:		
White, Soochow	Bls. 5	,, 5.12
Silk, Waste, Refuse:		
Dairen	Bls. 12	,, 42.85
Silk Piece Goods		,, 2.20
Silk Pongees, Shantung		,, 5.77
Tea, Green:		
Hyson, Shanghai		,, 12
Gunpowder, Ningpo		,, 52
Antimony, Regulus		,, 84
Books, Printed		,, 17
Brassware		,, 33
Chinaware, Fine		,, 6
Cigarettes		,, 9
Hair, Human		,, 49
Intestines, Pig		,, 7
Feather, Duck		,, 138
Oil, Wood		,, 13,995
Soapstoneware		,, 36
Wool, Sheep's		,, 509
Skins, Dog, Tanned		Pcs. 6,342
Skins, Mole, Untanned		,, 3,000
Skins, Lamb, ,,		,, 12,500
Skins, Raccoon, ,,		,, 649
Skins, Weasel, ,,		,, 16,560
Skins, Wild Cat,		,, 1,000
Rugs, Woollen		,, 289
Cotton Lace, Hand-made		Hk Tls 8,615

ROYAL PRINCE, May 24.

(Agents: Furness (Far East), Ltd.)
From U. S. of America.

Cotton Voile:		
Printed	Yds	944
White	,,	1,737
Wool and Cotton Beach Cloth	,,	60
Aluminium Sheets	Pls.	82
Iron and Steel, Ungalvanized:		
Poles	,,	1,439
Rods	,,	10
Iron and Steel, Galvanized:		
Wire Rope	,,	18
Candlewick	,,	2
Crucibles	,,	13
Flour, Corn	,,	876
Indigo Paste, Artificial:		
20 per cent. strength	,,	25
50 per cent. strength	,,	160
Margarine	,,	25
Paper, Toilet	,,	10
Paper, other kinds	,,	1,050
Soda, Ash	,,	38
Starch	,,	231
Tobacco, Leaf	,,	4,722
Tobacco, Scraps	,,	192
Tobacco, Stalk	,,	986
Twine	,,	3
Cigarettes	Mille	25
Cigars	,,	25
Enamelledware:		
Basins	Doz.	295
Dishes	,,	54
Silk and Cotton Hosiery	Doz.	199
Glass, Window, Coloured	Sq.ft.	875
Oil, Lubricating	Galls.	5,461
Shoes, Canvas	Pairs	3,017
Shoes, Rubber	,,	2,498
Dyes, Aniline	Pkgs 308	GUnits 23,449
Machinery, & Parts of	,,	29,475
Treasure:		
Silver Bars	,,	1,394,284

BELFAST MARU, May 24.

(Agents: Showa Shipping Co.)
To U. S. of America.

Silk, Waste, Refuse:		
Shanghai	Bls. 12	Pls. 39.70
Tallow, Vegetable	,,	2,472

NICOLINE MAERSK, May 26.

Agents: Rioka Soko Kabushiki Keisha
From U. S. of America.

Iron and Steel, Ungalvanized:		
Tubes	Pls.	499
Iron and Steel, Galvanized:		
Tubes	,,	154
Tinned Plates, Plain	,,	3,951
,, ,, Scraps	,,	1,715
Gum Resin	,,	716
Paper, Writing	,,	220
Tobacco, Leaf	,,	1,238
Turpentine	Galls.	400

Latest New York Stock Exchange Quotations

Market: Steady Business Done 3,091,680
July 16.

1929-1930 High	1929-1930 Low	STOCK	July 14	July 15
37⅜	20	Adams Express	25⅞	26¼
184½	86	American Can	126½	126½
199¼	50	American & Foreign Power	69⅜	70
144⅝	60	American Rolling Mill	55⅝	55
130¼	62	American Smelting	63¾	64
310¼	193¼	American Tel. & Tel.	212	220¾
246¼	160	American Tobacco "B"	242	243
199	50	American Water Works	93	93⅜
140	67¼	Anaconda Copper	49¾	49½
77⅞	30	Atlantic Refining	37	37⅞
145⅛	105	Baltimore & Ohio	107⅜	107
140¾	78¼	Bethlehem Steel	85⅛	84⅛
86⅞	26	Borg Warner	28¾	29⅛
61⅛	25	Calumet & Helca	15⅛	15¼
296⅞	186	Canadian Pacific Railway	187	187⅞
192	62⅛	Chesapeake Corporation	63	62½
125⅛	101	Chicago Rock Island	105	105¼
135	26	Chrysler	29	29
68⅛	20	Cities Service, Common	27⅜	27⅝
63⅝	60	Colgate Palmolive Peet	53½	53⅞
140	62	Columbia Gas & Electric	66¾	65⅝
88¾	16⅛	Columbia Graphaphone	17¾	17¾
62	20⅛	Commercial Solvents	25⅛	Mutl.
26¾	10⅛	Commonwealth Southern	14¼	14⅛
12⅛	1⅝	,, ,, war.	3⅞	4
188¼	80⅛	Consolidated Gas. of N. Y.	111¼	111¾
47⅛	18	Continental Oil	20⅞	21¾
126⅜	70	Corn Products	96	95½
30⅛	6⅜	Curtiss Wright, Common	7⅛	7¾
231	80	Du Pont de Nemours	107	108⅛
264¾	150	Eastman Kodak	Mutl.	208
189	50	Electric Bond & Share	82⅜	82⅝
93½	41½	Eire Railway	42⅛	43⅝
105⅝	16¼	Fox Film "A"	45⅛	44
88⅛	55¼	General Electric	72⅛	71¼
81¾	35	General Food	56½	56
91¾	33¼	General Motors	43⅛	43⅜
126½	70	General Railway Signal	82	79
72	31½	Gold Dust	40⅜	40⅝
105¾	38¼	Goodrich Rubber	26	26⅛
154½	60	Goodyear Tire & Rubber Co.	64½	64
102⅞	46¼	Granby	22⅝	23
122¼	85½	Great Northern Certificate	78	78¾
143⅞	45	Hershey Chocolate	98½	97
102¾	48	International Cement	67½	67½
103½	4¼	International Combu. Eng.	6⅛	7
142	65	International Harvester	83⅞	82⅜
72¾	25	International Nickel	24½	25
68⅜	40	International Printers Ink	42⅜	38½
14¾	5	International Products	Unq	Unq
149¼	53	International Tel. & Tel.	46⅞	47½
242¾	90	Johns Manville	79	74¼
104⅞	46⅜	Kemecott Copper	38½	38¼
46⅜	22⅛	Kreuger & Toll	29	28⅝
122½	37	Kroger Grocery	27¼	27¼
114⅜	80	Liggett & Myers, "B"	94⅞	94⅝
84½	32	Lowes: Inc	69¾	69⅞
108⅞	22	Ludlum Steel	27⅜	27⅜
114¾	55⅛	Mack Trucks	56	57
101⅜	46	Missouri Pacific	Mutl.	67
156⅞	35¼	Montgomery Ward	35⅝	35⅞
62⅞	23¾	Nevada Consolidated Cop.	16⅛	16⅜
256½	160	New York Central	166⅝	168¼
118⅞	75⅛	Northern Pacific Railway	74	75
146½	58⅛	Pacific Lighting	81½	82
32¼	13	Packard Motor Car	15	14¾
77¼	35	Paramount—Publix Corp	60	59⅞
110	72⅛	Pennsylvania Railroad	76	75½
30	13	Pennroad Corporation	12¼	12⅛
47	24¼	Philips Petroleum	33⅞	34
137¾	54	Public Service of N. Jersey	98½	99½
114¾	26	Radio Corporation	41	40⅜
66	39	Reynolds Tobacco "B"	51¼	51⅛
181	80	Sears Roebuck	68¾	67
31¾	19	Shell Union	19⅜	19
188	43¾	Simmons Company	24⅛	25¼
93¼	45⅛	Southern California Edison	60¾	58½
157½	105	Southern Pacific Railway	119¾	118½
243¾	75½	Standard Gas & Electric	94½	94
83	48	Standard Oil of N. Jersey	72¼	72½
48⅛	31¼	Standard Oil of New York	32⅝	32¾
71⅞	50	Texas Corporation	53	53½
85¼	42½	Texas Gulf Sulphur	55	55⅛
139⅜	58½	Timken Roller Bearing	60⅜	61⅛
67⅜	20¼	Trans America	21¼	21¾
140	59	Union Carbide & Carbon	72½	72¾
297⅝	200	Union Pacific Railway	224½	220
162	31	United Aircraft & Transp't	57⅛	58⅜
47⅞	8½	United Corporation	34¼	34⅜
59⅝	22	United Gas Improvement	37½	37¼
20½	6¼	United Dry Docks	Unq	4
65	15	U.S. Rubber	22½	22½
261¾	150	U.S. Steel	163⅜	164
124½	37½	Vanadium	92¾	94¾
80¼	30	Warner Bros. Pictures	44	43¾
292⅝	100	Westinghouse E. & M.	143⅝	143¾
103⅞	52¼	Woolworth	58¼	58⅜
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